Exhibit A

PROSPECTUS SUPPLEMENT
(To Prospectus dated June 2, 2006)

$645,032,100 (Approximate)
STRUCTURED ADJUSTABLE RATE MORTGAGE LOAN TRUST
Mortgage Pass-Through Certificates, Series 2006-6

AURORA LOAN SERVICES

Lehman Brothers Holdings Inc.
Sponsor and Seller

Aurora Loan Services LLC
Master Servicer

Structured Adjustable Rate Mortgage Loan Trust, Series 2006-6
Issuing Entity

Structured Asset Securities Corporation
Depositor

Consider carefully the risk factors beginning on page S-19 of this prospectus supplement and on page 6 of the prospectus.

For a list of capitalized terms used in this prospectus supplement and the prospectus, see the glossary beginning on page S-85 in this prospectus supplement and the index of principal terms on page 204 in the prospectus.

The certificates will represent interests in the issuing entity only and will not represent interests in or obligations of the sponsor, the depositor or any of their affiliates or any other party.

This prospectus supplement may be used to offer and sell the certificates only if accompanied by the prospectus.

The trust will issue:

- **Eleven classes of senior certificates, including one class of interest-only certificates.**
- **Fifteen classes of subordinate certificates.**
- **Two additional classes of certificates.**

The classes of certificates offered by this prospectus supplement are listed, together with their initial class principal amounts (or class notional amount) and interest rates in the tables beginning on page S-1 of this prospectus supplement. This prospectus supplement relates only to the offering of the certificates listed in the tables beginning on page S-1 and not to the other classes of certificates that will be issued by the trust fund as described in this prospectus supplement.

Principal and interest will be payable monthly, as described in this prospectus supplement. The first expected distribution date will be July 25, 2006. Credit enhancement for the offered certificates includes subordination, loss allocation and cross-collateralization features, to the extent described in this prospectus supplement.

The certificates will represent interests in a trust fund, the assets of which will primarily consist of three pools of adjustable rate mortgage loans.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the certificates or determined that this prospectus supplement or the prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The certificates offered by this prospectus supplement will be purchased by Lehman Brothers Inc. from Structured Asset Securities Corporation, and are being offered by Lehman Brothers Inc. from time to time for sale to the public in negotiated transactions or otherwise at varying prices to be determined at the time of sale. Lehman Brothers Inc. has the right to reject any order. Proceeds to Structured Asset Securities Corporation from the sale of these certificates will be approximately 99.09% of their initial total principal amount, plus accrued interest, before deducting expenses.

On or about June 30, 2006, delivery of the certificates offered by this prospectus supplement, except the Class R Certificate, will be made through the book-entry facilities of The Depository Trust Company, Clearstream Banking, societe anonyme (formerly Cedelbank) and the Euroclear System, and delivery of the Class R Certificate will be made in physical form at the offices of Lehman Brothers Inc., New York, New York.

Underwriter.

LEHMAN BROTHERS

The date of this Prospectus Supplement is June 28, 2006.

Important notice about the information in this prospectus supplement and the prospectus

We provide information to you about the certificates offered by this prospectus supplement in two separate documents that progressively provide more detail: (1) the prospectus, which provides general information, some of which may not apply to your certificates; and (2) this prospectus supplement, which describes the specific terms of your certificates.

The information presented in this prospectus supplement is intended to enhance the general terms of the accompanying prospectus. If the specific terms of this prospectus supplement and the general terms of the accompanying prospectus vary, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the prospectus. We have not authorized anyone to provide you with different information.

We are not offering the certificates in any state where the offer is not permitted. We do not claim that the information in this prospectus supplement and prospectus is accurate as of any date other than the dates stated on their respective covers.

Dealers will deliver a prospectus supplement and prospectus when acting as underwriters of the certificates and with respect to their unsold allotments or subscriptions. In addition, all dealers selling the certificates will be required to deliver a prospectus supplement and prospectus for ninety days following the date of this prospectus supplement.

We include cross-references in this prospectus supplement and the prospectus to captions in these materials where you can find further related discussions. The following tables of contents provide the pages on which these captions are located.

For European Investors Only

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), the underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of certificates to the public in that Relevant Member State prior to the publication of a prospectus in relation to the certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of certificates to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized, or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than € 43,000,000 and (3) an annual net turnover of more than € 50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of certificates to the public" in relation to any certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the certificates to be offered so as to enable an investor to decide to purchase or subscribe the certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

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The Structured Adjustable Rate Mortgage Loan Trust Mortgage Pass-Through Certificates, Series 2006-6:

The certificates consist of the classes of certificates listed in the tables below, together with the Class B4-I, Class B5-I, Class B6-I, Class B7-II, Class B8-II, Class B9-II, Class P-I and Class P-II Certificates. Only the classes of certificates listed in the tables below are offered by this prospectus supplement.

Class	Class Principal Amount(1)	Related Mortgage Pool	Related Mortgage Group	Initial Interest Rate(1)	Summary Interest Rate Formula	Principal Type(2)	Interest Type	Initial Certificate Ratings(7) Fitch	S&P
1-A1	$ 74,190,000	1	I	5.850%	(5)	SEQ(4)	Adjustable(5)	AAA	AAA
1-A2	$ 23,653,000	1	I	5.850%	(5)	SEQ(4)	Adjustable(5)	AAA	AAA
1-A3	$ 10,377,000	1	I	6.801%	(3)	PT(4)	Adjustable(3)	AAA	AAA
1-AX	(6)	1	I	0.951%	(6)	PT/NTL/IO	Adjustable(6)	AAA	AAA
2-A1	$ 98,030,000	2	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
2-A2	$ 139,593,000	2	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
2-A3	$ 33,946,000	2	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
2-A4	$ 15,087,000	2	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
3-A1	$ 208,819,000	3	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
3-A2	$ 11,601,000	3	II	6.000%	(3)	PT(4)	Adjustable(3)	AAA	AAA
B1-I	$ 5,040,000	1	I	6.801%	(3)	SUB	Adjustable(3)	AA	N/A
B2-I	$ 1,778,000	1	I	6.801%	(3)	SUB	Adjustable(3)	A	N/A
B3-I	$ 1,304,000	1	I	6.801%	(3)	SUB	Adjustable(3)	BBB	N/A
B1-II	$ 7,472,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	AA+	AA+
B2-II	$ 4,537,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	AA	AA
B3-II	$ 2,401,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	AA-	N/A
B4-II	$ 2,935,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	A	A
B5-II	$ 3,469,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	BBB	N/A
B6-II	$ 800,000	2-3	II	6.000%	(3)	SUB	Adjustable(3)	BBB-	N/A
R	$ 100	1	I	6.801%	(3)	PT/R	Adjustable(3)	AAA	AAA

(1) These balances and initial interest rates are approximate, as described in this prospectus supplement.
(2) PT = Pass-through certificate
NTL/IO = Notional interest-only certificate
SEQ = Sequential certificate
SUB = Subordinate certificate
R = REMIC residual interest
(3) These certificates will accrue interest based on adjustable interest rates, as described in this prospectus supplement.

(4) Under certain circumstances, the Class 1-A3 Certificates will provide credit enhancement to the Class 1-A1 and Class 1-A2 Certificates, as described in this prospectus supplement. Under certain circumstances, the Class 2-A4 Certificates will provide credit enhancement to the Class 2-A1, Class 2-A2 and Class 2-A3 Certificates, as described in this prospectus supplement. Under certain circumstances, the Class 3-A2 Certificates will provide credit enhancement to the Class 3-A1 Certificates, as described in this prospectus supplement.

(5) The Class 1-A1 and Class 1-A2 Certificates will bear interest based on an interest rate equal to the Net WAC for pool 1 less 0.950555941% through the distribution date in May 2013, subject to adjustment as described in this prospectus supplement. Beginning with the distribution date in June 2013 and for each distribution date thereafter, the Class 1-A1 and Class 1-A2 Certificates will bear interest at the Net WAC for pool 1 as described in this prospectus supplement.

(6) The Class 1-AX Certificates will be interest-only certificates; they will not be entitled to payments of principal and will accrue interest on their respective notional amounts, as described in this prospectus supplement. After the distribution date in May 2013, the Class 1-AX Certificates will no longer be entitled to distributions of any kind.

(7) The designation "N/A" means the specified rating agency will not publicly rate such class of certificates.

The offered certificates will also have the following characteristics:

Class	Record Date[(1)]	Delay / Accrual Period[(2)]	Interest Accrual Convention	Final Scheduled Distribution Date	Expected Final Distribution Date[(3)]	Minimum Denominations[(4)]	Incremental Denominations	CUSIP Number
1-A1	LD	24 day	30/360	7/25/2036	1/25/2011	$ 25,000	$1	863581 AA 2
1-A2	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AB 0
1-A3	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AC 8
1-AX	LD	24 day	30/360	5/25/2013	5/25/2013	$1,000,000	$1	863581 AD 6
2-A1	LD	24 day	30/360	7/25/2036	8/25/2008	$ 25,000	$1	863581 AE 4
2-A2	LD	24 day	30/360	7/25/2036	6/25/2013	$ 25,000	$1	863581 AF 1
2-A3	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AG 9
2-A4	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AH 7
3-A1	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AJ 3
3-A2	LD	24 day	30/360	7/25/2036	7/25/2014	$ 25,000	$1	863581 AK 0
B1-I	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AL 8
B2-I	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AM 6
B3-I	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AN 4
B1-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AP 9
B2-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AQ 7
B3-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AR 5
B4-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AS 3
B5-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AT 1
B6-II	LD	24 day	30/360	7/25/2036	7/25/2014	$ 100,000	$1	863581 AU 8
R	LD	24 day	30/360	7/25/2036	7/25/2006	$ 100	$1	863581 AV 6

(1) LD = For any distribution date, the last business day of the month immediately preceding the month in which such distribution date occurs.
(2) 24 day = For any distribution date, the interest accrual period will be the calendar month immediately preceding the month in which the related distribution date occurs.
(3) The expected final distribution date, based upon (a) 100% of the prepayment assumption, (b) the modeling assumptions used in this prospectus supplement, as described under "Yield, Prepayment and Weighted Average Life – Weighted Average Life" and (c) assuming the options to purchase the mortgage loans are exercised by the master servicer at the earliest possible distribution date as described in this prospectus supplement under "Description of the Certificates – Optional Purchase of the Mortgage Loans."
(4) With respect to initial European investors only, the underwriter will only sell offered certificates in minimum total investment amounts of $100,000.

Summary of Terms

- **This summary highlights selected information from this prospectus supplement and does not contain all of the information that you need to consider in making your investment decision. To understand all of the terms of the offering of the certificates, it is necessary that you read carefully this entire prospectus supplement and the prospectus.**
- **While this summary contains an overview of certain calculations, cash flow priorities, and other information to aid your understanding, you should read carefully the full description of these calculations, cash flow priorities and other information in this prospectus supplement and the prospectus before making any investment decision.**
- **Some of the information that follows consists of forward-looking statements relating to future economic performance or projections and other financial items. Forward-looking statements are subject to a variety of risks and uncertainties, such as general economic and business conditions and regulatory initiatives and compliance, many of which are beyond the control of the parties participating in this transaction. Accordingly, what actually happens may be very different from the projections included in this prospectus supplement.**
- **Whenever we refer in this prospectus supplement to a percentage of some or all of the mortgage loans in the trust fund or in a pool, that percentage has been calculated on the basis of the total scheduled principal balance of those mortgage loans as of June 1, 2006, unless we specify otherwise. We explain in this prospectus supplement under "Glossary of Defined Terms" how the scheduled principal balance of a mortgage loan is determined. Whenever we refer in this Summary of Terms or in the Risk Factors section of this prospectus supplement to the total principal balance of any mortgage loans, we mean the total of their scheduled principal balances, unless we specify otherwise.**

Parties

Sponsor and Seller

Lehman Brothers Holdings Inc. will sell the mortgage loans to the depositor.

Depositor

Structured Asset Securities Corporation, a Delaware special purpose corporation referred to in this prospectus supplement as the depositor, will sell the mortgage loans to the issuing entity. The depositor's address is 745 Seventh Avenue, New York, New York 10019, and its telephone number is (212) 526-7000.

Issuing Entity

Structured Adjustable Rate Mortgage Loan Trust, Series 2006-6.

Master Servicer

Aurora Loan Services LLC will oversee the servicing of the mortgage loans by the servicers.

Primary Servicers

On the closing date, Aurora Loan Services LLC and Wells Fargo Bank, N.A. will service approximately 59.30% and 40.70%, respectively, of the mortgage loans.

Originators

The Mortgage Loans were originated by various banks and other mortgage lending institutions. Lehman Brothers Bank, FSB and Wells Fargo Bank, N.A. originated approximately 59.05% and 40.70%, respectively, of the mortgage loans.

Trustee

U.S. Bank National Association, a national banking association.

Securities Administrator

Wells Fargo Bank, N.A., a national banking association.

Custodians

LaSalle Bank National Association, U.S. Bank National Association and Wells Fargo Bank, N.A. will act as custodians of the mortgage loan files.

The Offered Certificates

Classes of Certificates

Structured Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2006-6 consists of the classes of certificates listed in the tables beginning on page S-1 of this prospectus supplement. Only the classes of certificates listed in the tables are offered by this prospectus supplement.

The certificates offered by this prospectus supplement, except for the Class R Certificate, will be issued in book-entry form. The Class R Certificate will be issued in the form of a physical certificate.

See "Description of the Certificates – General" in this prospectus supplement for a discussion of the minimum denominations and the incremental denominations of each class of certificates.

The certificates represent ownership interests in a trust fund that consists primarily of three separate pools of mortgage loans: "pool 1," "pool 2" and "pool 3." The mortgage loans in pool 1 provide for a fixed interest rate during an initial period of approximately seven years from the date of origination, and thereafter provide for adjustments to the interest rate on a semi-annual or annual basis. The mortgage loans in pool 2 provide for a fixed interest rate during an initial period of approximately ten years from the date of origination, and thereafter provide for adjustments to the interest rate on a semi-annual or annual basis. The mortgage loans in pool 3 provide for a fixed interest rate during an initial period of approximately ten years from the date of origination, and thereafter provide for adjustments to the interest rate on a semi-annual or annual basis.

Payments of interest and principal on senior certificates identified with a "1-" in their class designation and on the Class R Certificate will be based on collections on the pool 1 mortgage loans, and payments of interest and principal on senior certificates identified with a "2-" or "3-" in their class designation will be based on collections on the pool 2 or pool 3, respectively, except under the limited circumstances described in this prospectus supplement.

Subordinate certificates identified with a "-I" (the "group I subordinate certificates") will relate to pool 1. Subordinate certificates identified with a "-II" (the "group II subordinate certificates") will relate to pool 2 and pool 3. Payments of interest and principal on the group I subordinate certificates and the group II subordinate certificates will be based on collections from the related pool or pools.

The certificates will have an approximate total initial principal amount of $652,363,225. Any difference between the total principal amount of the certificates on the date they are issued and the approximate total principal amount of the certificates on the date of this prospectus supplement will not exceed 5%.

See "Description of the Certificates – General" in this prospectus supplement.

Payments on the Certificates

Principal and interest on the certificates will be payable on the 25th day of each month, beginning in July 2006. However, if the 25th day is not a business day, payments will be made on the next business day after the 25th day of the month.

Amounts Available for Interest Payments

Interest will accrue on each class of certificates, other than the Class P-I and Class P-II Certificates, at the applicable annual rates described below:

- The interest rate for the Class R and Class 1-A3 Certificates for each distribution date will be an annual rate equal to the Net WAC for pool 1 for such distribution date.

- The interest rate for the Class 1-A1 and Class 1-A2 Certificates for each distribution date on or prior to May 2013 will be the Net WAC for pool 1 less 0.950555941%. Beginning with the distribution date in June 2013, the interest rate for the Class 1-A1 and Class 1-A2 Certificates for each distribution date will be an annual rate equal to the Net WAC for pool 1 for such distribution date.

- The interest rate for the Class 1-AX Certificates for each distribution date on or prior to May 2013 will be an annual rate equal to 0.950555941%. Thereafter, the Class 1-AX Certificates will not accrue interest and will not be entitled to any distributions related to subsequent distribution dates.

- The interest rate for the Class 2-A1, Class 2-A2, Class 2-A3 and Class 2-A4 Certificates for each distribution date will be an annual rate equal to the Net WAC for pool 2 for such distribution date.

- The interest rate for the Class 3-A1 and Class 3-A2 Certificates for each distribution date will be an annual rate equal to the Net WAC for pool 3 for such distribution date.

- The interest rate for the Class B1-I, Class B2-I, Class B3-I, Class B4-I, Class B5-I and Class B6-I Certificates for each distribution date will be an annual rate equal to the pool 1 underlying subordinate rate.

- The interest rate for the Class B1-II, Class B2-II, Class B3-II, Class B4-II, Class B5-II, Class B6-II, Class B7-II, Class B8-II and Class B9-II Certificates will be an annual rate equal to the pool 2-3 underlying subordinate rate.

See "Description of the Certificates – Distributions of Interest" in this prospectus supplement.

Principal Payments

Amounts Available for Principal Payments

The amount of principal payable on the certificates, other than the Class P-I and Class P-II Certificates and the interest-only certificates, will be determined by (1) formulas that allocate portions of principal payments received on the mortgage loans among different classes and (2) the amount of funds actually received on the mortgage loans that are available to make payments on the certificates. Funds actually received on the mortgage loans may consist of expected, scheduled payments, and unexpected payments resulting from prepayments by borrowers, liquidation of defaulted mortgage loans or repurchases of mortgage loans under the circumstances described in this prospectus supplement.

The key principal allocation concept for the Class 1-A1, Class 1-A2, Class 1-A3, Class 2-A1, Class 2-A2, Class 2-A3, Class 2-A4, Class 3-A1, Class 3-A2 and Class R Certificates is the related senior principal distribution amount. The key allocation concept for the Class B1-I, Class B2-I and Class B3-I Certificates is the subordinate principal distribution amount for pool 1. The key allocation concept for the Class B1-II, Class B2-II, Class B3-II, Class B4-II, Class B5-II and Class B6-II Certificates is the subordinate principal distribution amounts for pool 2 and pool 3.

The Class 1-AX Certificates are interest-only certificates and will not be entitled to payments of principal.

See "Description of the Certificates – Distributions of Principal" in this prospectus supplement.

Priority of Interest and Principal Payments

On each distribution date, the available distribution amount for each related mortgage pool will be allocated, after payment of the securities administrator fee as described below, among the classes of senior certificates relating to that mortgage pool, and among the classes of the subordinate certificates as follows:

(1) from the available distribution amount for each mortgage pool, to the securities administrator, the payment of the securities administrator fee allocable to that mortgage pool for such distribution date;

(2) from the available distribution amount for each mortgage pool, to payment of accrued certificate interest on each class of senior certificates of the related certificate group (reduced, in each case, by any net prepayment interest shortfalls for the related mortgage pool allocated to that class of certificates on that distribution date, as described herein); provided, however, that any shortfall in available amounts for a mortgage pool will be allocated among the classes of the related certificate group, in proportion to the amount of such interest (as so reduced) that would otherwise be distributable thereon.

(3) from the available distribution amount for each mortgage pool, to payment of any outstanding interest shortfalls on each class of senior certificates of the related certificate group; provided, however, that any shortfall in available amounts for a mortgage pool will be allocated among the classes of the related certificate group in proportion to the amount of such interest (as so reduced) that would otherwise be distributable thereon.

(4) to the certificates (other than the Class 1-AX Certificates) of each certificate group to the extent of the remaining related available distribution amount, concurrently, as follows:

(A) to the Class 1-A1, Class 1-A2, Class 1-A3 and Class R Certificates, from the available distribution amount for pool 1, the senior principal distribution amount for such mortgage pool, in reduction of their class principal amounts, sequentially as follows:

(i) first, to the Class R Certificate, until its class principal amount has been reduced to zero;

(ii) second, to the Class 1-A1, Class 1-A2 and Class 1-A3, concurrently, as follows:

(a) sequentially, to the Class 1-A1 and Class 1-A2 Certificates, in that order, until their class principal amounts have been reduced to zero; and

(b) to the Class 1-A3 Certificates until their class principal amount has been reduced to zero;

(B) to the Class 2-A1, Class 2-A2, Class 2-A3 and Class 2-A4 Certificates, from the available distribution amount for pool 2, the senior principal distribution amount for such mortgage pool in reduction of their class principal amounts, pro rata, as follows:

(I) to the Class 2-A1, Class 2-A2 and Class 2-A3 Certificates, sequentially, as follows:

(i) first, to the Class 2-A1 and Class 2-A2, concurrently, as follows:

(a) 25.0001912675% to the Class 2-A2 Certificates until their class principal amount has been reduced to zero; and

(b) 74.9998087325% to the Class 2-A1 Certificates until their class principal amount has been reduced to zero;

(ii) second, the remaining amount from clause (i) above to the Class 2-A2 Certificates until their class principal amount has been reduced to zero;

(iii) third, to the Class 2-A3 Certificates until their class principal amount has been reduced to zero;

(II) to the Class 2-A4 Certificates until their class principal amount has been reduced to zero;

(C) pro rata, to the Class 3-A1 and Class 3-A2 Certificates, from the available distribution amount for pool 3, the senior principal distribution amount for such mortgage pool, in reduction of their class principal amounts, until their class principal amounts have been reduced to zero.

(5) (A) to the extent of the remaining available distribution amount for pool 1, to payment to the Class B1-I, Class B2-I, Class B3-I, Class B4-I, Class B5-I and Class B6-I Certificates, in that order, of the following amounts, in the following order of priority: (x) accrued certificate interest thereon (as reduced by any net prepayment interest shortfalls allocated to that class on that distribution date), (y) any outstanding interest shortfalls previously allocated to that class, and (z) the related class's subordinate class percentage of the subordinate principal distribution amount for pool 1 for that distribution date, except as provided below, in reduction of its class principal amount.

(B) to the extent of the remaining available distribution amounts for pool 2 and pool 3, but subject to the prior payment of amounts described under "– Cross-Collateralization Between Pool 2 and Pool 3" below, to payment to the Class B1-II, Class B2-II, Class B3-II, Class B4-II, Class B5-II, Class B6-II, Class B7-II, Class B8-II and Class B9-II Certificates, in that order, of the following amounts, in the following order of priority: (x) accrued certificate interest thereon (as reduced by any net prepayment interest shortfalls allocated to that class on that distribution date), (y) any outstanding interest shortfalls previously allocated to that class and (z) the related class's subordinate class percentage of the subordinate principal distribution amount for each mortgage pool (other than pool 1) for that distribution date, except as provided below, in reduction of its class principal amount.

With respect to each Class of subordinate certificates other than the Class B6-I and B9-II Certificates, if on any distribution date the credit support percentage for that class is less than that class's original credit support percentage, then no distributions in respect of clauses (2) and (3) of the definition of subordinate principal distribution amount will be made to any restricted classes, and the amount otherwise distributable to the restricted classes in respect of such payments will be allocated among the remaining related classes of subordinate certificates, proportionately, based upon their respective class principal amounts.

See "Description of the Certificates" in this prospectus supplement.

Class P-I and P-II Certificates

The Class P-I Certificates will be entitled to receive prepayment penalties paid by borrowers upon voluntary full or partial prepayment of the mortgage loans in pool 1. The Class P-II Certificates will be entitled to receive prepayment penalties paid by borrowers upon voluntary full or partial prepayment of the mortgage loans in pool 2 and pool 3. These amounts will not be available for distribution to other classes of certificates.

The Class P-I and Class P-II Certificates are not offered by this prospectus supplement.

See "Description of the Certificates" in this prospectus supplement.

Limited Recourse

The only source of cash available to make interest and principal payments on the certificates will be the assets of the trust fund. The trust fund will have no other source of cash and no other entity will be required or expected to make any payments on the certificates.

Enhancement of Likelihood of Payment on the Certificates

The payment structure used by the trust fund includes subordination, loss allocation and cross-collateralization features (in certain cases as described herein) to enhance the likelihood that holders of more senior classes of certificates will receive regular payments of interest and principal. The senior certificates will be less likely to experience losses than the related subordinate certificates, and each class of subordinate certificates with a lower numerical class designation will be less likely to experience losses than each class of related subordinate certificates with a higher numerical class designation.

Because the classes of subordinate certificates related to group II represent interests in all the related mortgage pools, the principal amounts of the subordinate certificates could be reduced to zero as a result of disproportionately high losses on the mortgage loans in the related pools, increasing the likelihood that losses experienced in the other related pool will be allocated to the senior certificates corresponding to such other pool.

See "Risk Factors – Potential Inadequacy of Credit Enhancement", "Description of the Certificates – Cross-Collateralization Between Pool 2 and Pool 3" and "– Allocation of Realized Losses" in this prospectus supplement for a detailed description of subordination, loss allocation and cross-collateralization.

Limited Cross-Collateralization

Under certain limited circumstances, payments on the mortgage loans in one pool may be distributed to holders of certain senior certificates corresponding to the other pool in group II. As described in greater detail in this prospectus supplement, this "cross-collateralization" between pool 2 and pool 3 with respect to mortgage group II may occur in two basic ways.

For example:

Rapid prepayment situations:

- If the senior certificates related to pool 2 have been retired but the senior certificates related to pool 3 are outstanding, and the mortgage loans are performing below certain standards, then certain payments on the pool 2 mortgage loans will be distributed to the remaining senior certificates related to pool 3 before being distributed to the group II subordinate certificates.

High loss situations:

- If the total principal amount of the senior certificates related to pool 2 is greater than the total principal balance of the pool 2 mortgage loans, then certain payments on the pool 3 mortgage loans otherwise payable to the group II subordinate certificates will be paid to the senior certificates related to pool 2.

There will be no cross-collateralization between the mortgage loans in mortgage group I and the mortgage loans in mortgage group II.

See "Description of the Certificates – Cross-Collateralization Between Pool 2 and Pool 3" in this prospectus supplement.

Subordination of Payments

Certificates with an "A" or "R" in their class designation will have a payment priority as a group over other certificates. The Class B1-I Certificates will have a payment priority over the Class B2-I and Class B3-I Certificates, and the Class B2-I Certificates will have a payment priority over the Class B3-I Certificates. The Class B3-I Certificates will have a payment priority over the Class B4-I, Class B5-I and Class B6-I Certificates. The Class B1-II Certificates will have a payment priority over

the Class B2-II, Class B3-II, Class B4-II, Class B5-II and Class B6-II Certificates, the Class B2-II Certificates will have a payment priority over the Class B3-II, Class B4-II, Class B5-II and Class B6-II Certificates, the Class B3-II Certificates will have a payment priority over the Class B4-II, Class B5-II and Class B6-II Certificates, the Class B4-II Certificates will have a payment priority over the Class B5-II and Class B6-II Certificates, and the Class B5-II Certificates will have a payment priority over the Class B6-II Certificates. The Class B6-II Certificates will have a payment priority over the Class B7-II, Class B8-II and Class B9-II Certificates.

See "Description of the Certificates – Priority of Distributions" in this prospectus supplement.

Allocation of Losses by Group

If the mortgage loans in pool 1 experience losses (except as described in this prospectus supplement), then the principal amount of the class of group I subordinate certificates that is lowest in seniority and still outstanding will be reduced by the amount of those losses until the total outstanding principal amount of that class equals zero. If the mortgage loans in pool 2 or pool 3 experience losses (except as described in this prospectus supplement), then the principal amount of the class of group II subordinate certificates that is lowest in seniority and still outstanding will be reduced by the amount of those losses until the total outstanding principal amount of that class equals zero. If the applicable subordination is insufficient to absorb losses, then the applicable senior certificateholders will incur losses and will not receive all of their principal payments. However, any portion of any loss which would otherwise be allocated to the Class 1-A1 and Class 1-A2 Certificates shall be allocated to the Class 1-A3 Certificates until the principal amount of such class has been reduced to zero, any portion of any loss which would otherwise be allocated to the Class 2-A1, Class 2-A2 and Class 2-A3 Certificates shall be allocated to the Class 2-A4 Certificates until the principal amount of such class has been reduced to zero, and any portion of any loss which would otherwise be allocated to the Class 3-A1 Certificates shall be allocated to the Class 3-A2 Certificates until the principal amount of such class has been reduced to zero.

- If a loss has been allocated to reduce the principal balance of your class, you will receive no payment in respect of that reduction.

See "Description of the Certificates – Allocation of Realized Losses" in this prospectus supplement.

Fees and Expenses

Before payments are made on the certificates, the servicers will be paid a monthly fee calculated on the principal balance of the mortgage loans serviced by that servicer at a rate of 0.250% per annum for Aurora Loan Services LLC and Wells Fargo Bank, N.A.

The master servicer will receive as compensation the investment income on funds held in the collection account. The securities administrator will receive a securities administrator fee and will receive as compensation the investment income on funds held in the certificate account.

Expenses of the servicers, the securities administrator, the trustee, the custodians and the master servicer will be reimbursed before payments are made on the certificates.

Final Scheduled Distribution Date

The final scheduled distribution date for the offered certificates will be occurring on the distribution date specified in the tables beginning on page S-1 of this prospectus supplement. The final scheduled distribution date for each class of certificates (other than the Class 1-AX Certificates) has been determined by adding one month to the month of scheduled maturity of the latest maturing mortgage loan of each applicable group. The final scheduled distribution date for the Class 1-AX Certificates is the last distribution date such certificates are entitled to distributions of any kind.

The Mortgage Loans

On the cut-off date, which is June 1, 2006, the assets of the trust fund will consist primarily of three pools of mortgage loans with a total principal balance of approximately $652,363,326.57. The mortgage loans will be secured by mortgages, deeds of trust, or other security instruments, all of which are referred to in this prospectus supplement as mortgages.

The mortgage loans will consist of adjustable rate, conventional, first lien residential mortgage loans, all of which have original terms to stated maturity of 30 years.

The mortgage loans in the trust fund were generally originated or acquired in accordance with underwriting guidelines which do not meet all the criteria of Fannie Mae's or Freddie Mac's guidelines. As a result, the mortgage loans may experience rates of delinquency, foreclosure and bankruptcy that are higher than those experienced by mortgage loans underwritten in strict accordance with Fannie Mae's or Freddie Mac's guidelines.

The mortgage loans in the trust fund will not be insured or guaranteed by any government agency.

See "Description of the Mortgage Pools" in this prospectus supplement and "The Trust Funds – The Mortgage Loans" in the prospectus for a general description of the mortgage loans.

The depositor expects the mortgage loans to have the following approximate characteristics as of the cut-off date:

Group I Mortgage Pool Summary

	Range or Total	Weighted Average
Number of Mortgage Loans	233	–
Total Scheduled Principal Balance	$118,598,185.62	–
Scheduled Principal Balances	$35,700 to $3,225,000	$509,005
Mortgage Rates	5.375% to 8.000%	7.058%
Original Terms to Maturity (in months)	360 to 360	360
Remaining Terms to Maturity (in months)	348 to 360	359
Original Loan-to-Value Ratios	29.48% to 90.00%	74.65%
Geographic Concentration in Excess of 10.00% of the Total Scheduled Principal Balance		
California	42.46%	–
Florida	19.98%	–
Maximum Single Zip Code Concentration	2.96%	–
Mortgage Loans with Prepayment Penalties at Origination	69.42%	–
Gross Margins	2.250% to 2.750%	2.252%
Maximum Mortgage Rates	10.375% to 14.000%	12.982%
Minimum Mortgage Rates	2.250% to 3.000%	2.255%
Months to Next Mortgage Rate Adjustment	72 to 84	83
Initial Caps	2.000% to 6.000%	5.913%
Periodic Caps	2.000% to 2.000%	2.000%
Index		
6-Month LIBOR	93.57%	–
1-Year LIBOR	6.09%	–
1-Year CMT	0.33%	–
Original Interest-Only Term		
None	7.55%	–
7 Years	1.39%	–
10 Years	91.07%	–
Mortgage Pool in Group I		
Pool 1	100.00%	–

Group II Mortgage Pool Summary

	Range or Total	Weighted Average
Number of Mortgage Loans	950	–
Total Scheduled Principal Balance	$533,765,140.95	–
Scheduled Principal Balances	$34,025 to $4,000,000	$561,858
Mortgage Rates	5.375% to 8.125%	6.258%
Original Terms to Maturity (in months)	360 to 360	360
Remaining Terms to Maturity (in months)	342 to 360	355
Original Loan-to-Value Ratios	13.56% to 90.00%	71.76%
Geographic Concentration in Excess of 10.00% of the Total Scheduled Principal Balance		
California	51.08%	–
Maximum Single Zip Code Concentration	0.86%	–
Mortgage Loans with Prepayment Penalties at Origination	15.25%	–
Gross Margins	2.000% to 2.750%	2.498%
Maximum Mortgage Rates	10.375% to 14.125%	11.660%
Minimum Mortgage Rates	2.000% to 3.000%	2.503%
Months to Next Mortgage Rate Adjustment	102 to 120	115
Initial Caps	5.000% to 6.000%	5.402%
Periodic Caps	2.000% to 2.000%	2.000%
Index		
1-Year CMT	49.75%	–
6-Month LIBOR	40.33%	–
1-Year LIBOR	9.92%	–
Original Interest-Only Term		
None	12.01%	–
5 Years	0.08%	–
10 Years	87.92%	–
Mortgage Pool in Group II		
Pool 2	56.53%	–
Pool 3	43.47%	–

Pool 1 Mortgage Pool Summary

	Range or Total	Weighted Average
Number of Mortgage Loans	233	–
Total Scheduled Principal Balance	$118,598,185.62	–
Scheduled Principal Balances	$35,700 to $3,225,000	$509,005
Mortgage Rates	5.375% to 8.000%	7.058%
Original Terms to Maturity (in months)	360 to 360	360
Remaining Terms to Maturity (in months)	348 to 360	359
Original Loan-to-Value Ratios	29.48% to 90.00%	74.65%
Geographic Concentration in Excess of 10.00% of the Total Scheduled Principal Balance		
California	42.46%	–
Florida	19.98%	–
Maximum Single Zip Code Concentration	2.96%	–
Mortgage Loans with Prepayment Penalties at Origination	69.42%	–
Gross Margins	2.250% to 2.750%	2.252%
Maximum Mortgage Rates	10.375% to 14.000%	12.982%
Minimum Mortgage Rates	2.250% to 3.000%	2.255%
Months to Next Mortgage Rate Adjustment	72 to 84	83
Initial Caps	2.000% to 6.000%	5.913%
Periodic Caps	2.000% to 2.000%	2.000%
Index		
6-Month LIBOR	93.57%	–
1-Year LIBOR	6.09%	–
1 Year CMT	0.33%	–
Original Interest-Only Term		
None	7.55%	–
7 Years	1.39%	–
10 Years	91.07%	–

Pool 2 Mortgage Pool Summary

	Range or Total	Weighted Average
Number of Mortgage Loans	549	–
Total Scheduled Principal Balance	$301,743,846.79	–
Scheduled Principal Balances	$34,025 to $3,500,000	$549,624
Mortgage Rates	5.500% to 8.125%	6.258%
Original Terms to Maturity (in months)	360 to 360	360
Remaining Terms to Maturity (in months)	342 to 360	355
Original Loan-to-Value Ratios	18.32% to 85.00%	71.61%
Geographic Concentration in Excess of 10.00% of the Total Scheduled Principal Balance		
California	48.75%	–
Maximum Single Zip Code Concentration	1.43%	–
Mortgage Loans with Prepayment Penalties at Origination	14.37%	–
Gross Margins	2.000% to 2.750%	2.492%
Maximum Mortgage Rates	10.500% to 14.125%	11.655%
Minimum Mortgage Rates	2.000% to 3.000%	2.497%
Months to Next Mortgage Rate Adjustment	102 to 120	115
Initial Caps	5.000% to 6.000%	5.397%
Periodic Caps	2.000% to 2.000%	2.000%
Index		
1-Year CMT	48.46%	–
6-Month LIBOR	40.05%	–
1-Year LIBOR	11.49%	–
Original Interest-Only Term		
None	13.71%	–
5 Years	0.14%	–
10 Years	86.16%	–

Pool 3 Mortgage Pool Summary

	Range or Total	Weighted Average
Number of Mortgage Loans	401	–
Total Scheduled Principal Balance	$232,021,294.16	–
Scheduled Principal Balances	$65,250 to $4,000,000	$578,607
Mortgage Rates	5.375% to 8.125%	6.258%
Original Terms to Maturity (in months)	360 to 360	360
Remaining Terms to Maturity (in months)	348 to 360	354
Original Loan-to-Value Ratios	13.56% to 90.00%	71.96%
Geographic Distribution in Excess of 10.00% of the Total Scheduled Principal Balance		
California	54.10%	–
Maximum Single Zip Code Concentration	1.72%	–
Mortgage Loans with Prepayment Penalties at Origination	16.40%	–
Gross Margins	2.250% to 2.750%	2.507%
Maximum Mortgage Rates	10.375% to 14.125%	11.667%
Minimum Mortgage Rates	2.250% to 2.750%	2.511%
Months to Next Mortgage Rate Adjustment	108 to 120	114
Initial Caps	5.000% to 6.000%	5.409%
Periodic Caps	2.000% to 2.000%	2.000%
Index		
1-Year CMT	51.42%	–
6-Month LIBOR	40.70%	–
1-Year LIBOR	7.88%	–
Original Interest-Only Term		
None	9.80%	–
10 Years	90.20%	–

Mortgage Loan Representations and Warranties

Each originator of the mortgage loans has made certain representations and warranties concerning the mortgage loans. Lehman Brothers Holdings Inc.'s rights to the benefit of these representations and warranties will be assigned to the depositor under a sale and assignment agreement and, in turn, will be assigned by the depositor to the trustee for the benefit of certificateholders under the trust agreement. In addition, Lehman Brothers Holdings Inc. will represent that none of the mortgage loans in the trust fund will be "high cost" loans under applicable federal, state or local anti-predatory or anti-abusive lending laws.

Following the discovery of a breach of any representation or warranty that materially and adversely affects the value of the mortgage loan, or receipt of notice of that breach, the applicable transferor or Lehman Brothers Holdings Inc. will be required either to (1) cure that breach, (2) repurchase the affected mortgage loan from the trust fund or (3) in certain circumstances, substitute another mortgage loan.

In order to substitute a new mortgage loan for a mortgage loan that has been removed from the trust fund because of a breach of a representation or warranty, (a) substitution must take place within two years from the closing date and (b) a mortgage loan that is materially similar to the deleted mortgage loan must be available for substitution.

See "The Trust Agreement – Representations and Warranties" in this prospectus supplement.

Mortgage Loan Servicing

The mortgage loans will be master serviced by Aurora Loan Services LLC. The master servicer will oversee the servicing of the mortgage loans by the primary loan servicers, but will not be ultimately responsible for the servicing of the mortgage loans except as provided in this prospectus supplement. Initially, the primary loan servicers will be Aurora Loan Services LLC and Wells Fargo Bank, N.A. Servicing may subsequently be transferred to other primary servicers in accordance with the terms of the relevant servicing agreements and the trust agreement, as described in this prospectus supplement.

See "The Master Servicer," "The Primary Servicers" and "Mortgage Loan Servicing " in this prospectus supplement.

Optional Purchase of the Mortgage Loans

The master servicer, with the consent of the seller (which consent will not be unreasonably withheld), may purchase the mortgage loans in pool 1 or pools 2 and 3 on any distribution date after the date on which the total principal balance of such mortgage loans (determined in the aggregate rather than by pool) declines to less than 10% of their initial total principal balance in the case of the mortgage loans related to pool 1 or 10% of their initial total principal balance in the case of the mortgage loans related to pools 2 and 3. If the mortgage loans are purchased, the related certificateholders will be paid accrued interest and principal equal to the outstanding principal amount of the certificates.

See "Description of the Certificates – Optional Purchase of the Mortgage Loans" in this prospectus supplement for a description of the purchase price to be paid for the mortgage loans.

Financing

An affiliate of the underwriter has provided financing for the mortgage loans. The depositor will use a portion of the proceeds of the sale of the certificates to repay the financing.

Tax Status

The trustee will elect to treat the trust fund, other than the right to receive prepayment penalty amounts with respect to the mortgage loans, as comprising multiple REMICs in a tiered REMIC structure for federal income tax purposes. Each of the certificates offered by this prospectus supplement other than the Class R Certificate will represent ownership of "regular interests" in a REMIC and the Class R

Certificate will be designated as the sole class of "residual interest" in each REMIC.

The REMIC regular interests represented by the Class 1-AX Certificates will be, and the REMIC regular interests represented by the other classes of certificates offered by this prospectus supplement (other than the Class R Certificate) may be, issued with original issue discount for federal income tax purposes.

There are restrictions on the ability of certain types of investors to purchase the Class R Certificate.

See "Material Federal Income Tax Considerations" in this prospectus supplement and in the prospectus for additional information concerning the application of federal income tax laws to the certificates.

ERISA Considerations

Generally, the certificates offered by this prospectus supplement (other than the Class R Certificate) may be acquired by an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, a plan subject to Section 4975 of the Internal Revenue Code of 1986, or any person directly or indirectly acquiring the certificates (other than the Class R Certificate) for, on behalf of or with any assets of any plan. A fiduciary of a plan must determine that the purchase of a certificate is consistent with its fiduciary duties and does not result in a nonexempt prohibited transaction under applicable law.

See "ERISA Considerations" in this prospectus supplement and in the prospectus for a more complete discussion of these issues.

Legal Investment Considerations

Generally, all of the certificates offered by this prospectus supplement (except the Class B2-I, Class B3-I, Class B4-II, Class B5-II and Class B6-II Certificates) will constitute "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984.

There are other restrictions on the ability of certain types of investors to purchase the certificates that prospective investors should consider.

See "Legal Investment Considerations" in this prospectus supplement and in the prospectus.

Ratings of the Certificates

The certificates offered by this prospectus supplement will initially have the ratings from Fitch Ratings, Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. set forth on page S-1.

- The ratings are not recommendations to buy, sell or hold these certificates. A rating may be changed or withdrawn at any time by the assigning rating agency.
- The ratings do not address the possibility that, as a result of principal prepayments, the yield on your certificates may be lower than anticipated.

See "Ratings" in this prospectus supplement for a more complete discussion of the certificate ratings.

Risk Factors

The following information, which you should carefully consider, identifies certain significant sources of risk associated with an investment in the certificates.

Potential Inadequacy of Credit Enhancement

The certificates are not insured by any financial guaranty insurance policy. The subordination, loss allocation and cross-collateralization features described in this prospectus supplement are intended to enhance the likelihood that holders of more senior classes of certificates will receive regular payments of interest and principal, but are limited in nature and may be insufficient to cover all losses on the mortgage loans. The amount of any loss (other than certain "excess" losses described in this prospectus supplement) experienced on a mortgage loan will be applied to reduce the principal amount of the class of related subordinate certificates with the highest numerical class designation, until the principal amount of that class has been reduced to zero. If subordination is insufficient to absorb losses, then certificateholders of more senior classes will incur losses and will not receive all of their principal payments. You should consider the following:

As described below, amounts representing losses on the mortgage loans in a pool or pools will be applied to reduce the principal amount of the related subordinate certificates still outstanding that have the lowest payment priority, until the principal amount of the related subordinate certificates has been reduced to zero. For example, all losses on pool 1 will first be allocated in reduction of the certificate principal amount of the Class B6-I Certificates until it has been reduced to zero and likewise to the certificate principal amounts of the Class B5-I Certificates, the Class B4-I Certificates, the Class B3-I Certificates, the Class B2-I Certificates and the Class B1-I Certificates, in that order, until their certificate principal amounts have been reduced to zero. By way of parallel example, all losses on pool 2 and pool 3 will first be allocated in reduction of the certificate principal amount of the Class B9-II Certificates until it is reduced to zero, and likewise to the certificate principal amount of the Class B8-II Certificates, the Class B7-II Certificates, the Class B6-II Certificates, the Class B5-II Certificates, the Class B4-II Certificates, the Class B3-II Certificates, the Class B2-II Certificates and the Class B1-II Certificates, in that order, until their certificate principal amounts have been reduced to zero. If applicable subordination is insufficient to absorb such losses, then senior certificateholders of the related certificate group will likely incur losses and will not receive all of their principal payments.

- After the total principal amount of the group I subordinate certificates has been reduced to zero, losses on the pool 1 mortgage loans will reduce the principal amount of the Class

1-A1, Class 1-A2 and Class 1-A3 Certificates, and the notional amount of the Class 1-AX Certificates.

- After the total principal amount of the group II subordinate certificates has been reduced to zero, losses on the pool 2 mortgage loans will reduce the principal amount of the Class 2-A1, Class 2-A2, Class 2-A3 and Class 2-A4 Certificates; and losses on the pool 3 mortgage loans will reduce the principal amount of the Class 3-A1 and Class 3-A2 Certificates.

Because the group I subordinate certificates represent interests in pool 1 and the group II subordinate certificates represent interests in pools 2 and 3, the principal amounts of such subordinate certificates could be reduced to zero as a result of a disproportionately high amount of losses on the mortgage loans in any such pool. As a result, in the case of group II, losses in either of the pools will reduce the loss protection provided by such subordinate certificates to the senior certificates corresponding to the other pool, and will increase the likelihood that losses will be allocated to those other senior certificates.

However, any portion of any loss which would otherwise be allocated to the Class 1-A1 and Class 1-A2 Certificates shall be allocated to the Class 1-A3 Certificates until the principal amount of such class has been reduced to zero, any portion of any loss which would otherwise be allocated to the Class 2-A1, Class 2-A2 and Class 2-A3 Certificates shall be allocated to the Class 2-A4 Certificates until the principal amount of such class has been reduced to zero, and any portion of any loss which would otherwise be allocated to the Class 3-A1 Certificates shall be allocated to the Class 3-A2 Certificates until the principal amount of such class has been reduced to zero.

See "Description of the Certificates – Priority of Distributions" and "– Allocation of Realized Losses" in this prospectus supplement.

Risks Related to Mortgage Loans with Interest-Only Payments ....

Approximately 92.45%, 86.29% and 90.20% of the mortgage loans in pool 1, pool 2 and pool 3, respectively, provide for payment of interest at the related mortgage interest rate, but no payment of principal, for a period of five, seven or ten years, as applicable, following the origination of the mortgage loan. Following the applicable period, the monthly payment with respect to each of these mortgage loans will be increased to an amount sufficient to amortize the principal balance of the mortgage loan over the remaining term and to pay interest at the related mortgage interest rate.

The presence of these mortgage loans in a pool will, absent other considerations, result in longer weighted average lives of the

related certificates than would have been the case had these mortgage loans not been included in the trust fund. If you purchase a certificate at a discount, you should consider that the extension of weighted average lives could result in a lower yield than would be the case if these mortgage loans provided for payment of principal and interest on every payment date. In addition, a borrower may view the absence of any obligation to make a payment of principal during the first five, seven or ten years, as applicable, of the term of a mortgage loan as a disincentive to prepayment.

If a recalculated monthly payment as described above is substantially higher than a borrower's previous interest-only monthly payment, that mortgage loan may be subject to an increased risk of delinquency and loss.

See "Changes in U.S. Economic Conditions May Adversely Affect the Performance of Mortgage Loans, Particularly Adjustable Rate Loans of Various Types" and "Risks Related to Mortgage Loans with Interest-Only Payments" in the prospectus.

Default Risk on High Balance Mortgage Loans .... The principal balances of approximately (i) $15,757,219.78 of the mortgage loans in pool 1 (representing approximately 13.29% of the mortgage loans in pool 1), (ii) $44,989,947.29 of the mortgage loans in pool 2 (representing approximately 14.91% of the mortgage loans in pool 2) and (iii) $41,421,936.52 of the mortgage loans in pool 3 (representing approximately 17.85% of the mortgage loans in pool 3) were in excess of $1,000,000 on the closing date. You should consider the risk that the loss and delinquency experience on these high balance loans may have a disproportionate effect on the related pool as a whole.

Military Action and Terrorist Attacks .... The effects that military action by U.S. forces in Iraq or other regions and terrorist attacks in the United States may have on the performance of the mortgage loans or on the values of the mortgaged properties cannot be determined at this time. Investors should consider the possible effects on delinquency, default and prepayment experiences of the mortgage loans. Federal agencies and non-government lenders have deferred, reduced or forgiven payments and delayed foreclosure proceedings in respect of loans to borrowers affected in some way by recent and possible future events, and may continue to do so. In addition, the activation of a substantial number of U.S. military reservists or members of the National Guard may significantly increase the proportion of mortgage loans whose mortgage rates are reduced by the application of the Servicemembers Civil Relief Act or similar state laws. The interest available for distributions to the holders of the certificates will be reduced by any reduction in the amount of interest collected as a result of the application of the

Servicemembers Civil Relief Act or similar state laws and neither the servicers nor any other party will be required to fund any interest shortfall caused by any such reduction. In addition, certain persons not covered by the Servicemembers Civil Relief Act may be eligible for similar loan payment relief under applicable state laws.

See "Description of the Certificates – Distributions of Interest" in this prospectus supplement.

Risk Related to Unpredictability and Effect of Prepayments ....

Borrowers may prepay their mortgage loans in whole or in part at any time; however, approximately 69.42% of the mortgage loans in pool 1, approximately 14.37% of the mortgage loans in pool 2 and approximately 16.40% of the mortgage loans in pool 3 require the payment of a prepayment penalty in connection with any voluntary prepayment occurring during periods that range from four months to three years after origination. These penalties may discourage borrowers from prepaying their mortgage loans during the penalty period. No prepayment penalties will be available to make distributions on the offered certificates. The prepayment penalties from each mortgage loan in pool 1 will be distributed to the Class P-I Certificates and the prepayment penalties from each mortgage loan in pool 2 and pool 3 will be distributed to the Class P-II Certificates.

The timing of prepayments of principal may be influenced by liquidations or repurchases of or insurance payments on the mortgage loans. A prepayment of a mortgage loan in a pool will usually result in a payment of principal on the related certificates. Prepayments on the related mortgage loans may occur as a result of solicitations of the borrowers by mortgage loan providers, including the seller and its affiliates, the master servicer and servicers, as described under "Yield, Prepayment and Weighted Average Life" in this prospectus supplement.

- If you purchase your certificates at a discount and principal is repaid slower than you anticipate, then your yield may be lower than you anticipate.
- If you purchase your certificates at a premium and principal is repaid faster than you anticipate, then your yield may be lower than you anticipate.

See "Yield, Prepayment and Weighted Average Life" in this prospectus supplement for a description of factors that may influence the rate and timing of prepayments on the mortgage loans.

The prepayment experience of the mortgage loans may differ significantly from that of other first lien residential mortgage

loans.

Special Risks for Certain Classes of Certificates ....

The Class 1-AX Certificates are interest-only certificates. These certificates have yields to maturity (or early termination) – the yield you will receive if you hold a certificate until it has been paid in full – that are highly sensitive to prepayments on the related mortgage loans.

The Class 1-AX Certificates will not be entitled to distributions of any kind after the distribution in May 2013, as described in this prospectus supplement.

Changes in Mortgage Indices May Reduce the Yields on Certain Certificates ....

Beginning with the initial distribution date, the Class R Certificates will bear interest at a rate equal to the Net WAC for pool 1; beginning with the distribution date in June 2013, the Class 1-A1 and Class 1-A2 Certificates will bear interest at a rate equal to the Net WAC for pool 1; beginning with the initial distribution date, the Class 1-A3 Certificates will bear interest at a rate equal to the Net WAC for pool 1; beginning with the initial distribution date, the Class 2-A1, Class 2-A2, Class 2-A3 and Class 2-A4 Certificates will bear interest at a rate equal to the Net WAC for pool 2; beginning with the initial distribution date, the Class 3-A1 and Class 3-A2 Certificates will bear interest at a rate equal to the Net WAC for pool 3; beginning with the initial distribution date, the Class B1-I, Class B2-I and Class B3-I Certificates will bear interest based on the pool 1 underlying subordinate rate; and beginning with the initial distribution date, the Class B1-II, Class B2-II, Class B3-II, Class B4-II, Class B5-II and Class B6-II Certificates will bear interest based on the pool 2-3 underlying subordinate rate. Following the respective initial fixed interest rate period of the mortgage loans in pools 1 through 3, the gross mortgage rates will be calculated on the basis of an index plus the applicable margin, as described in this prospectus supplement. As a result, beginning with the distribution dates specified above, any decline in the index on which the net mortgage rates are based will result in a lower yield on the related certificates.

Delinquencies on the Mortgage Loans ....

The mortgage loans were originated generally in accordance with underwriting guidelines of the type described in this prospectus supplement. In general, these guidelines do not meet all the criteria of Fannie Mae's or Freddie Mac's guidelines, so the mortgage loans may experience rates of delinquency, foreclosure and bankruptcy that are higher than those experienced by mortgage loans underwritten in strict accordance with Fannie Mae's or Freddie Mac's guidelines.

Changes in the values of mortgaged properties related to the

mortgage loans may have a greater effect on the delinquency, foreclosure, bankruptcy and loss experience of the mortgage loans in the trust fund than on mortgage loans originated under Fannie Mae's or Freddie Mac's guidelines. We cannot assure you that the values of the mortgaged properties have remained or will remain at levels in effect on the dates of origination of the related mortgage loans.

See "Description of the Mortgage Pools – General" in this prospectus supplement for a description of the characteristics of the mortgage loans and "Underwriting Guidelines" for a general description of the underwriting guidelines used in originating the mortgage loans.

Delay in Receipt of Liquidation Proceeds; Liquidation Proceeds may be Less than Mortgage Balance.. Substantial delays could be encountered in connection with the liquidation of delinquent mortgage loans. Further, reimbursement of advances made by the servicers and liquidation expenses such as legal fees, real estate taxes and maintenance and preservation expenses may reduce the portion of liquidation proceeds payable to certificateholders. If a mortgaged property fails to provide adequate security for the related mortgage loan, you could incur a loss on your investment if the applicable credit enhancement is insufficient to cover the loss.

Delinquencies Due to Servicing Transfer .... It is possible that servicing of mortgage loans may be transferred in the future in accordance with the provisions of the trust agreement and the related servicing agreement as a result of, among other things, (i) the occurrence of unremedied events of default in the servicer's performance under the related servicing agreement or (ii) the exercise by the seller of its right to terminate a servicer without cause upon written notice as described in the servicing agreement. All transfers of servicing involve some risk of disruption in collections due to data input errors, misapplied or misdirected payments, system incompatibilities and other reasons. As a result, the mortgage loans may experience increased delinquencies and defaults, at least for a period of time, until all of the borrowers are informed of the transfer and the related servicing mortgage files and records and all the other relevant data has been obtained by the new servicer. There can be no assurance as to the extent or duration of any disruptions associated with the transfer of servicing or as to the resulting effects on the yield on the certificates.

See "The Servicers" and "Mortgage Loan Servicing" in this prospectus supplement.

Risk Related to Geographic Concentration of Mortgage Loans ....

Approximately 42.46%, 48.75% and 54.10% of the mortgage loans in pool 1, pool 2 and pool 3, respectively, are secured by mortgaged properties located in California. The rate of delinquencies, defaults and losses on the mortgage loans may be higher than if fewer of the mortgage loans were concentrated in California because certain conditions in California will have a disproportionate impact on the mortgage loans in general.

See "Yield, Prepayment and Weighted Average Life" in this prospectus supplement and "Risk Factors – Geographic Concentration of the Mortgage Loans" in the prospectus.

For additional information regarding the geographic concentration of the mortgage loans to be included in each mortgage pool, see the geographic distribution tables in Annex A of this prospectus supplement.

Effects of Performance of Mortgage Loans on Ratings of Certificates ....

The ratings assigned to your certificates may be adversely affected if losses or delinquencies on the mortgage loans in the related mortgage group or in any pool in the related mortgage group are worse than expected, no matter how the mortgage loans in the remaining pools perform. Depending on the available level of credit enhancement at any particular time, the rating agencies may base their ratings of the certificates on the payment performance of the mortgage loans in the worst performing pool.

Violation of Various Federal, State and Local Laws May Result in Losses on the Mortgage Loans ....

Violations of certain federal, state or local laws and regulations relating to the protection of consumers, unfair and deceptive practices and debt collection practices may limit the ability of the servicers to collect all or part of the principal of or interest on the related mortgage loans and, in addition, could subject the trust fund to damages and administrative enforcement.

See "Risk Factors – Violations of Various Federal, State and Local Laws May Result in Losses on the Mortgage Loans" in the prospectus.

Violations of Predatory Lending Laws / Risks Related to High Cost Loans ....

Various federal, state and local laws have been enacted that are designed to discourage predatory lending practices. Failure to comply with these laws, to the extent applicable to any of the mortgage loans, could subject the trust fund, as an assignee of mortgage loans, to monetary penalties and could result in the

borrowers rescinding the affected mortgage loans. If the loans are found to have been originated in violation of predatory or abusive lending laws and the seller does not repurchase the affected loans and pay any related liabilities, certificateholders could incur losses.

For a discussion of anti-predatory lending laws and the effect of any "high-cost" loans on the trust fund, see "Risk Factors – Predatory Lending Laws/High Cost Loans" in the prospectus.

Limited Obligations .... The assets of the trust fund are the sole source of payments on the certificates. The certificates are not the obligations of any other entity. None of the seller, the depositor, the underwriter, the trustee, the securities administrator, the master servicer, any servicer or any of their affiliates will have any obligation to replace or supplement the credit enhancement, or take any other action to maintain the ratings of the certificates. If credit enhancement is not available, holders of certificates may suffer losses on their investments.

Risks Related to Simultaneous Second Liens and other Borrower Debt .... With respect to any mortgage loan, the borrower may have also obtained a second lien mortgage loan which is not included in the trust fund. This additional indebtedness may increase the likelihood of default by such borrower.

See "Risks Related to Simultaneous Second Liens and other Borrower Debt" in the prospectus.

Exhibit B

PROSPECTUS SUPPLEMENT
(to Prospectus dated October 26, 2006)

$664,784,022

(Approximate)

IndyMac MBS, Inc.

Depositor

IndymacBank

Sponsor, Seller and Servicer

Residential Asset Securitization Trust 2006-A16

Issuing Entity

Distributions payable monthly on the 25th day of each month, beginning January 25, 2007

The issuing entity will issue certificates, including the following classes of certificates that are offered pursuant to this prospectus supplement and the accompanying prospectus:

Class	Initial Class Certificate Balance/ Initial Notional Amount (1)	Pass-Through Rate (2)	Class	Initial Class Certificate Balance/ Initial Notional Amount (1)	Pass-Through Rate (2)
Class 1-A-1	$190,593,000	6.50%	Class 2-A-2	$ 1,480,000	6.00%
Class 1-A-2	$ 17,407,000	6.00%	Class 2-A-3	$228,773,000(5)	Variable (5)
Class 1-A-3	$162,004,000	6.00%	Class A-R	$ 100	6.50%
Class 1-A-4	$ 11,182,000	6.00%	Class B-1	$ 13,511,000	Variable
Class 1-PO	$ 3,058,922	N/A(3)	Class B-2	$ 8,107,000	Variable
Class A-X	$ 43,412,606(4)	6.3781%	Class B-3	$ 4,729,000	Variable
Class 2-A-1	$ 23,939,000	6.00%			

Consider carefully the risk factors beginning on page S-19 in this prospectus supplement and on page 5 in the prospectus.

The certificates represent obligations of the issuing entity only and do not represent an interest in or obligation of IndyMac MBS, Inc., IndyMac Bank, F.S.B. or any of their affiliates.

This prospectus supplement may be used to offer and sell the offered certificates only if accompanied by a prospectus.

(1) This amount is approximate and is subject to a permitted variance in the aggregate of plus or minus 5%.

(2) The classes of certificates offered by this prospectus supplement, together with their pass-through rates and initial ratings, are listed in the tables under "Summary — Description of the Certificates" beginning on page S-8 of this prospectus supplement.

(3) The Class 1-PO Certificates are principal only certificates and will not bear interest.

(4) The Class A-X Certificates are interest only, notional amount certificates. The initial notional amount for the Class A-X Certificates is set forth in the table above but is not included in the aggregate class certificate balance of the certificates offered.

(5) The Class 2-A-3 Certificates, in addition to paying principal and interest at a per annum rate of 6.50% according to its class certificate balance, will bear interest at a per annum rate of 0.50% on a notional amount equal to the aggregate class certificate balance of the Class 2-A-1 and Class 2-A-2 Certificates as further described in this prospectus supplement under "*Description of the Certificates—Component Classes*" and "*—Interest.*"

This prospectus supplement and the accompanying prospectus relate only to the offering of the certificates listed above and not to the other classes of certificates that will be issued by the issuing entity. The certificates represent interests in a pool consisting of two loan groups of 30-year conventional, fixed rate mortgage loans secured by first liens on one- to four-family residential properties.

Credit enhancement for the offered certificates will consist of subordination. The credit enhancement for each class of offered certificates varies. Not all credit enhancement is available for every class. The credit enhancement for the certificates is described in more detail in this prospectus supplement.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this prospectus supplement or the prospectus. Any representation to the contrary is a criminal offense.

Lehman Brothers Inc. will offer the senior certificates listed above (other than the Class A-X, Class 1-PO, Class 2-A-1, Class 2-A-2 and Class 2-A-3 Certificates) and Goldman, Sachs & Co. will offer the Class B-1, Class B-2 and Class B-3 Certificates, in each case, to the public at varying prices to be determined at the time of sale. The proceeds to the depositor from the sale of these certificates are expected to be approximately 100.59% of the aggregate class certificate balance of the offered certificates (other than the Class A-X, Class 1-PO, Class 2-A-1, Class 2-A-2 and Class 2-A-3 Certificates), plus accrued interest, before deducting expenses. The Class A-X, Class 1-PO, Class 2-A-1, Class 2-A-2 and Class 2-A-3 Certificates will not be purchased by either Lehman Brothers Inc. or Goldman, Sachs & Co., but will be transferred to the seller on or about December 28, 2006 as partial consideration for the sale of the mortgage loans to the depositor. See "Method of Distribution" in this prospectus supplement. The offered certificates (other than the Class A-R Certificates) will be available for delivery on or about December 28, 2006 to investors in book-entry form through the facilities of The Depository Trust Company, and, upon request, through Clearstream, Luxembourg or the Euroclear System. The offered certificates are not bank accounts and are not insured by the FDIC or any other governmental entity.

Lehman Brothers **Goldman, Sachs & Co.**

December 27, 2006

Table of Contents

Table of Contents

Summary

This summary highlights selected information from this document and does not contain all of the information that you need to consider in making your investment decision. To understand all of the terms of an offering of the certificates, carefully read this prospectus supplement and the accompanying prospectus.

While this summary contains an overview of certain calculations, cash flow priorities and other information to aid your understanding, you should read carefully the full description of these calculations, cash flow priorities and other information in this prospectus supplement and the accompanying prospectus before making any investment decisions.

Issuing Entity

Residential Asset Securitization Trust 2006-A16, a common law trust formed under the laws of the State of New York.

See "The Issuing Entity" in this prospectus supplement.

Depositor

IndyMac MBS, Inc., a Delaware corporation, and a limited purpose finance subsidiary of IndyMac Bank, F.S.B. Its address is 155 North Lake Avenue, Pasadena, California 91101, and its telephone number is (800) 669-2300.

See "The Depositor" in this prospectus supplement and the prospectus.

Sponsor, Seller and Servicer

IndyMac Bank, F.S.B., a federal savings bank. Its principal executive offices are located at 888 East Walnut Street, Pasadena, California 91101, and its telephone number is (800) 669-2300.

Trustee

Deutsche Bank National Trust Company, a national banking association. The corporate trust office of the trustee is located (i) for purposes of certificate transfers, at DB Services Tennessee, 648 Grassmere Park Road, Nashville, Tennessee 37211-3658, Attention: Transfer Unit and (ii) for all other purposes, at 1761 East St. Andrew Place, Santa Ana, California 92705, Attention: Trust Administration IN0616, and its telephone number is (714) 247-6000.

Pooling and Servicing Agreement

The pooling and servicing agreement dated as of December 1, 2006 among the seller, the servicer, the depositor and the trustee, under which the issuing entity will be formed.

Cut-off Date

For any mortgage loan, the later of December 1, 2006 and the origination date of that mortgage loan.

Closing Date

On or about December 28, 2006.

The Mortgage Loans

The mortgage pool will consist of two loan groups consisting primarily of 30-year conventional, fixed rate mortgage loans secured by first liens on one-to-four family residential properties.

The depositor believes that the information set forth in this prospectus supplement regarding the mortgage loans as of the cut-off date is representative of the characteristics of the mortgage loans that will be delivered on the closing date. However, certain mortgage loans may prepay or may be determined not to meet the eligibility requirements for inclusion in the final mortgage pool. A limited number of mortgage loans may be added to or substituted for the mortgage loans that are described in this prospectus supplement. Any addition or substitution will not result in a material difference in the final mortgage pool although the cut-off date information regarding the actual mortgage loans may vary somewhat from the information regarding the mortgage loans presented in this prospectus supplement.

As of the cut-off date, the depositor expects that the group 1 mortgage loans will have the following characteristics:

Aggregate Current Principal Balance	$406,608,041.23
Weighted Average Mortgage Rate	6.686%
Range of Mortgage Rates	5.500 to 8.625%
Average Current Principal Balance	$593,588.38
Range of Outstanding Principal Balances	$418,196.78 to $2,000,000.00
Weighted Average Original Loan-to-Value Ratio	73.39%
Weighted Average Original Term to Maturity	360 months
Weighted Average FICO Credit Score	720
Weighted Average Remaining Term to Stated Maturity	359 months
Geographic Concentrations in excess of 10%:	
California	54.73%

As of the cut-off date, the depositor expects that the group 2 mortgage loans will have the following characteristics:

Aggregate Current Principal Balance	$268,986,703.71
Weighted Average Mortgage Rate	7.348%
Range of Mortgage Rates	6.875% to 9.625%
Average Current Principal Balance	$607,193.46
Range of Outstanding Principal Balances	$419,191.00 to $1,497,442.37
Weighted Average Original Loan-to-Value Ratio	73.97%
Weighted Average Original Term to Maturity	360 months
Weighted Average FICO Credit Score	706
Weighted Average Remaining Term to Stated Maturity	358 months
Geographic Concentrations in excess of 10%:	
California	37.01%
Florida	10.54%

As of the cut-off date, the depositor expects that the mortgage loans in the aggregate will have the following characteristics:

Aggregate Current Principal Balance	$675,594,744.94
Weighted Average Mortgage Rate	6.950%
Range of Mortgage Rates	5.500% to 9.625%
Average Current Principal Balance	$598,931.51
Range of Outstanding Principal Balances	$418,196.78 to $2,000,000.00
Weighted Average Original Loan-to-Value Ratio	73.62%
Weighted Average Original Term to Maturity	360 months
Weighted Average FICO Credit Score	714
Weighted Average Remaining Term to Stated Maturity	358 months
Geographic Concentrations in excess of 10%:	
California	47.68%

Description of the Certificates

The issuing entity will issue the following classes of certificates:

Class	Initial Class Certificate Balance / Initial Notional Amount (1)	Type	Final Scheduled Distribution Date (2)	Modeled Scheduled Distribution Date (3)	Initial Rating (S&P/Fitch) (4)
Offered Certificates					
1-A-1	$190,593,000	Senior/ Fixed Pass-Through Rate	February 25, 2037	December 25, 2036	AAA / AAA
1-A-2	$17,407,000	Senior/ Fixed Pass-Through Rate/ NAS/ Super Senior	February 25, 2037	December 25, 2036	AAA / AAA
1-A-3	$162,004,000	Senior/ Fixed Pass-Through Rate/ Super Senior	February 25, 2037	December 25, 2036	AAA / AAA
1-A-4	$11,182,000	Senior/ Fixed Pass-Through Rate/ NAS/ Support	February 25, 2037	December 25, 2036	AAA / AAA
A-X	$43,412,606 (5)	Senior/ Fixed Pass-Through Rate/ Notional Amount/ Interest Only/ Component	February 25, 2037	December 25, 2036	AAA / AAA
1-PO	$3,058,922	Senior/ Principal Only	February 25, 2037	December 25, 2036	AAA / AAA
A-R	$100	Senior/ REMIC Residual	February 25, 2037	January 25, 2007	AAA / AAA
2-A-1	$23,939,000	Senior/ Fixed Pass-Through Rate/ NAS/ Super Senior	February 25, 2037	October 25, 2036	AAA / AAA
2-A-2	$1,480,000	Senior/ Fixed Pass-Through Rate/ NAS/ Support	February 25, 2037	October 25, 2036	AAA / AAA
2-A-3	$228,773,000 (6)	Senior/ Variable Pass-Through Rate/ Component	February 25, 2037	October 25, 2036	AAA / AAA
B-1	$13,511,000	Subordinate/ Variable Rate	February 25, 2037	December 25, 2036	AA / AA
B-2	$8,107,000	Subordinate/ Variable Rate	February 25, 2037	December 25, 2036	A / A
B-3	$4,729,000	Subordinate/Variable Rate	February 25, 2037	December 25, 2036	BBB / BBB

Class	Initial Class Certificate Balance / Initial Notional Amount (1)	Type	Final Scheduled Distribution Date (2)	Modeled Scheduled Distribution Date (3)	Initial Rating (S&P/Fitch) (4)
Non-Offered Certificates (7)					
B-4	$4,729,000	Subordinate/Variable Rate	February 25, 2037	December 25, 2036	
B-5	$3,715,000	Subordinate/Variable Rate	February 25, 2037	December 25, 2036	
B-6	$2,366,722	Subordinate/Variable Rate	February 25, 2037	December 25, 2036	
P	$100	Prepayment Charges (8)	N/A	N/A	

(1) This amount is subject to a permitted variance in the aggregate of plus or minus 5% depending on the amount of mortgage loans actually delivered on the closing date.

(2) The final scheduled distribution date is the distribution date in the month after the month of the latest stated maturity date of any mortgage loan.

(3) The modeled final distribution date is based upon (a) an assumed rate of prepayments equal to 100% PPC, (b) the modeling assumptions described under *"Yield, Prepayment and Maturity Considerations—Weighted Average Lives of the Offered Certificates"* in this prospectus supplement and (c) the assumption that the optional termination is not exercised by the servicer.

(4) The offered certificates will not be offered unless they are assigned the indicated ratings by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("***S&P***") and Fitch, Inc. ("***Fitch***"). A rating is not a recommendation to buy, sell or hold securities. These ratings may be lowered or withdrawn at any time by either of the rating agencies. See *"Ratings"* in this prospectus supplement.

(5) The notional amount of the Class A-X Certificates will be calculated as described in this prospectus supplement under *"Description of the Certificates—Notional Amount Certificates."*

(6) The Class 2-A-3 Certificates, in addition to paying principal and interest according to its class certificate balance, will bear interest on a notional amount equal to the aggregate class certificate balance of the Class 2-A-1 and Class 2-A-2 Certificates as further described in this prospectus supplement under "*Description of the Certificates—Component Classes*" and "*—Interest.*"

(7) The Class B-4, Class B-5, Class B-6 and Class P Certificates are not offered by this prospectus supplement. Any information contained in this prospectus supplement with respect to the Class B-4, Class B-5, Class B-6 and Class P Certificates is provided only to permit a better understanding of the offered certificates.

(8) The Class P Certificates will be entitled to receive all prepayment charges collected on the mortgage loans.

The certificates will also have the following characteristics:

Class	Related Loan Group	Initial Pass-Through Rate	Pass-Through Rate	Interest Accrual Period	Interest Accrual Convention
Offered Certificates					
1-A-1	1	6.5000%	6.5000%	calendar month (1)	30/360 (2)
1-A-2	1	6.0000%	6.0000%	calendar month (1)	30/360 (2)
1-A-3	1	6.0000%	6.0000%	calendar month (1)	30/360 (2)
1-A-4	1	6.0000%	6.0000%	calendar month (1)	30/360 (2)
A-X	1 and 2	6.3781%	6.3781%	calendar month (1)	30/360 (2)
1-PO	1	(3)	(3)	N/A	N/A
A-R	2	6.5000%	6.5000%	calendar month (1)	30/360 (2)
2-A-1	2	6.0000%	6.0000%	calendar month (1)	30/360 (2)
2-A-2	2	6.0000%	6.0000%	calendar month (1)	30/360 (2)
2-A-3	2	6.5556%	Variable (4)	calendar month (1)	30/360 (2)
B-1	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
B-2	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
B-3	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
Non-Offered Certificates					
B-4	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
B-5	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
B-6	1 and 2	6.3495%	Variable (5)	calendar month (1)	30/360 (2)
P	1 and 2	N/A	N/A	N/A	N/A

(1) The interest accrual period for any distribution date will be the calendar month preceding that distribution date.

(2) Interest accrues at the rate specified in this table based on a 360-day year that consists of twelve 30-day months.

(3) The Class 1-PO Certificates are not entitled to any distributions of interest. *See "Description of the Certificates" in this prospectus supplement.*

(4) For each interest accrual period, the Class 2-A-3 Certificates will be entitled to distributions of interest accrued on the Class 2-A-3-1 and Class 2-A-3-2 Components for that interest accrual period. The pass-through rate for the Class 2-A-3-1 Component for the interest accrual period for any distribution date will equal 0.50% per annum. The pass-through rate for the Class 2-A-3-2 Component for the interest accrual period for any distribution date will equal 6.50% per annum.

(5) The pass-through rate for a class of subordinated certificates for the interest accrual period related to each distribution date will be a per annum rate equal to the sum of:

- 6.25% *multiplied by* the excess of the aggregate stated principal balance of the group 1 mortgage loans as of the first day of the related due period (after giving effect to principal prepayments in the prepayment period ending during that due period) over the aggregate class certificate balance of the group 1 senior certificates immediately prior to that distribution date;

- 6.50% *multiplied by* the excess of the aggregate stated principal balance of the group 2 mortgage loans as of the first day of the related due period (after giving effect to principal prepayments in the prepayment period ending during that due period) over the aggregate class certificate balance of the group 2 senior certificates immediately prior to that distribution date; and

divided by the aggregate class certificate balance of the subordinated certificates immediately prior to that distribution date. *See "Description of Certificates — Interest" in this prospectus supplement.*

Designations

We sometimes use the following designations to refer to the specified classes of certificates in order to aid your understanding of the offered certificates:

Senior Certificates	Class 1-A-1, Class 1-A-2, Class 1-A-3, Class 1-A-4, Class A-X, Class 1-PO, Class 2-A-1, Class 2-A-2, Class 2-A-3 and Class A-R Certificates
Subordinated Certificates	Class B-1, Class B-2, Class B-3, Class B-4, Class B-5 and Class B-6 Certificates
Notional Amount Certificates	Class A-X Certificates
Principal Only Certificates	Class 1-PO Certificates
Super Senior Certificates	Class 1-A-2, Class 1-A-3 and Class 2-A-1 Certificates
Support Certificates	Class 1-A-4 and Class 2-A-2 Certificates
Group 1 Senior Certificates	Class 1-A-1, Class 1-A-2, Class 1-A-3, Class 1-A-4 and Class 1-PO Certificates and Class A-X-1 Component
Group 2 Senior Certificates	Class 2-A-1, Class 2-A-2, Class 2-A-3 and Class A-R Certificates and Class A-X-2 Component
Offered Certificates	Senior Certificates, Class B-1, Class B-2 and Class B-3 Certificates

Record Date

The record date is the last business day of the month immediately preceding the month of that distribution date.

Denominations

Class A-X, Class B-1, Class B-2 and Class B-3 Certificates:

$25,000 and multiples of $1,000.

The senior certificates (other than the Class A-X and Class A-R Certificates):

$100,000 and multiples of $1,000.

Class A-R Certificates:

$100.

Registration of Certificates

Offered Certificates other than the Class A-R Certificates:

Book-entry form. Persons acquiring beneficial ownership interests in the offered certificates (other than the Class A-R Certificates) will hold their beneficial interests through The Depository Trust Company.

Class A-R Certificates:

Fully registered certificated form. The Class A-R Certificates will be subject to certain restrictions on transfer described in this prospectus supplement and as more fully provided for in the pooling and servicing agreement.

See "Description of the Certificates — Book-Entry Certificates" and "— Restrictions on Transfer of the Class A-R Certificates" in this prospectus supplement.

Distribution Dates

Beginning on January 25, 2007, and thereafter on the 25th day of each calendar month, or if the 25th is not a business day, the next business day.

Interest Distributions

The related interest accrual period, interest accrual convention and pass-through rate for each class and component of interest-bearing certificates is shown in the table on page S-10.

On each distribution date, to the extent funds are available for the related loan group, each interest-bearing class and component of certificates will be entitled to receive:

- interest accrued at the applicable pass-through rate during the related interest accrual period on the class certificate balance, notional amount, component balance or component notional amount, as applicable, immediately prior to that distribution date; *plus*
- any interest remaining unpaid from prior distribution dates; *minus*
- any net interest shortfalls allocated to that class or component for that distribution date.

The Class 1-PO Certificates do not bear interest.

See "Description of the Certificates—Interest" in this prospectus supplement.

When a borrower makes a full or partial prepayment on a mortgage loan, the amount of interest that the borrower is required to pay may be less than the amount of interest certificateholders would otherwise be entitled to receive with respect to the mortgage loan. The servicer is required to reduce its servicing compensation to offset this shortfall but the reduction for any distribution date is limited to an amount equal to the product of one-twelfth of 0.125% multiplied by the pool balance as of the first day of the prior month. If the aggregate amount of interest shortfalls resulting from prepayments on the mortgage loans exceeds the amount of the reduction in the servicer's servicing compensation, the interest entitlement for each related class of certificates will be reduced proportionately by the amount of this excess.

See "Servicing of Mortgage Loans—Servicing Compensation and Payment of Expenses" and "—Adjustment to Servicing Compensation in Connection with Certain Prepaid Mortgage Loans" in this prospectus supplement.

Allocation of Net Interest Shortfalls

For any distribution date, the interest entitlement for each interest-bearing class or component of certificates will be reduced by the amount of net interest shortfalls experienced by the mortgage loans in the related loan group or loan groups resulting from:

- prepayments on the mortgage loans; and
- reductions in the mortgage rate on the related mortgage loans due to Servicemembers Civil Relief Act reductions or debt service reductions.

Net interest shortfalls for a loan group on any distribution date will be allocated pro rata among all related interest-bearing classes and components of certificates, based on their respective interest entitlements (or, in the case of the subordinated certificates, based on interest accrued on the share of the applicable assumed balance of each class of subordinated certificates, as described more fully under *"Description of the Certificates—Interest"*), in each case before taking into account any reduction in the interest entitlements due to shortfalls.

If on any distribution date, available funds for a loan group are not sufficient to make a full distribution of the interest entitlement on the related classes or components of certificates in the order described below under *"— Priority of Distributions Among Certificates,"* interest will be distributed on each class or component of related certificates of equal priority, pro rata, based on their respective entitlements. Any unpaid interest amount will be carried forward and added to the amount holders of each affected class or component of certificates will be entitled to receive on the next distribution date.

See "Description of the Certificates — Interest" in this prospectus supplement.

Principal Distributions

On each distribution date, certificateholders will only receive a distribution of principal on their certificates if cash is available on that date for the payment of principal according to the principal distribution rules described in this prospectus supplement under *"Description of the Certificates—Principal."*

Loan Group 1

Principal collections from the mortgage loans in loan group 1 will be distributed to the group 1 senior certificates as described in the next sentence, and any remainder will be allocated to the subordinated certificates. Principal distributed to the group 1 senior certificates will be allocated between the Class 1-PO Certificates, on the one hand, and the other classes of group 1 senior certificates (other than the related notional amount component) and the subordinated certificates, on the other hand, in each case based on the applicable PO percentage and the applicable non-PO percentage, respectively, of those amounts. The non-PO percentage with respect to any mortgage loan in loan group 1 with a net mortgage rate less than 6.25% (which is the "required coupon" for loan group 1) will be equal to the net mortgage rate of the group 1 mortgage loans divided by the related required coupon and the PO percentage of that mortgage loan will be equal to 100% minus that non-PO percentage. With respect to a group 1 mortgage loan with a net mortgage rate equal to or greater than the related required coupon, the non-PO percentage will be 100% and the PO percentage will be 0%. The applicable non-PO percentage of amounts in respect of principal will be allocated to the classes of group 1 senior certificates (other than the notional amount certificates and the Class 1-PO Certificates) as set forth below, and any remainder of that non-PO amount will be allocated to the classes of subordinated certificates:

- in the case of scheduled principal collections on the group 1 mortgage loans, the amount allocated to the group 1 senior certificates is based on the ratio of the aggregate class certificate balance of the group 1 senior certificates to the aggregate of the non-PO percentage of the stated principal balance of each group 1 mortgage loan and

- in the case of principal prepayments on the group 1 mortgage loans, the amount allocated to the group 1 senior certificates is based on a fixed percentage (equal to 100%) until the fifth anniversary of the first distribution date, at which time the percentage will step down as described in this prospectus supplement.

Loan Group 2

Principal collections from the group 2 mortgage loans will be allocated to the group 2 senior certificates as set forth below, and any remainder is allocated to the subordinated certificates:

- in the case of scheduled principal collections on the group 2 mortgage loans, the amount allocated to the group 2 senior certificates is based on the ratio of its class certificate balance to the aggregate stated principal balance of the mortgage loans in the related loan group and

- in the case of principal prepayments on the group 2 mortgage loans, the amount allocated to the group 2 senior certificates is based on a fixed percentage (equal to 100%) until the fifth anniversary of the first distribution date, at which time the percentage will step down as described in this prospectus supplement.

General

Notwithstanding the foregoing, no decrease in the senior prepayment percentage of either loan group will occur unless certain conditions related to the loss and delinquency performance of the mortgage loans are satisfied with respect to each loan group.

Principal will be distributed on each class of certificates entitled to receive principal payments as described below under *"—Amounts Available for Distributions on the Certificates."*

The notional amount certificates and the notional amount components do not have a class certificate balance or component principal balance and are not entitled to any distributions of principal but will bear interest during each interest accrual period on their respective notional amounts. *See "Description of the Certificates — Principal" in this prospectus supplement.*

Amounts Available for Distributions on the Certificates

General

The amount available for distributions on the certificates on any distribution date will be calculated on a loan group by loan group basis and generally consists of the following with respect to the mortgage loans in a loan group (after the fees and expenses described under the next heading are subtracted):

- all scheduled installments of interest and principal due and received on the mortgage loans in that loan group in the applicable period, together with any advances with respect to them;

- all proceeds of any primary mortgage guaranty insurance policies and any other insurance policies with respect to the mortgage loans in that loan group, to the extent the proceeds are not applied to the restoration of the related mortgaged property or released to the borrower in accordance with the servicer's normal servicing procedures;

- net proceeds from the liquidation of defaulted mortgage loans in that loan group, by foreclosure or otherwise during the calendar month preceding the month of the distribution date (to the extent the amounts do not exceed the unpaid principal balance of the mortgage loans, plus accrued interest);

- subsequent recoveries with respect to mortgage loans in that loan group;

- partial or full prepayments with respect to the mortgage loans in that loan group collected during the applicable period, together with interest paid in connection with the prepayment, other than certain excess amounts payable to the servicer and the compensating interest; and

- any substitution adjustment amounts or purchase price in respect of a deleted mortgage loan or a mortgage loan in that loan group purchased by the seller or the servicer during the applicable period.

Fees and Expenses

The amounts available for distributions on the certificates on any distribution date generally will not include the following amounts:

- the servicing fee and additional servicing compensation (as described in this prospectus supplement under "Servicing of Mortgage Loans— Servicing Compensation and Payment of Expenses" and "Description of the Certificates —Priority of Distributions Among Certificates") due to the servicer;

- the trustee fee due to the trustee;
- lender-paid mortgage insurance premiums, if any;
- the amounts in reimbursement for advances previously made and other amounts as to which the servicer and the trustee are entitled to be reimbursed from the certificate account pursuant to the pooling and servicing agreement;
- all prepayment charges (which are distributable only to the Class P Certificates); and
- all other amounts for which the depositor, the seller or the servicer is entitled to be reimbursed.

Any amounts paid from amounts collected with respect to the mortgage loans will reduce the amount that could have been distributed to the certificateholders.

Servicing Compensation

Servicing Fee

The servicer will be paid a monthly fee (referred to as the servicing fee) with respect to each mortgage loan. The servicing fee for a mortgage loan will equal one-twelfth of the stated principal balance of such mortgage loan multiplied by the servicing fee rate. The servicing fee rate for each mortgage loan will equal either 0.200% per annum or 0.250% per annum. As of the cut-off date, the weighted average servicing fee rates for the mortgage loans in loan group 1 and loan group 2 were 0.219% and 0.200% per annum, respectively. The amount of the servicing fee is subject to adjustment with respect to certain prepaid mortgage loans, as described under *"Servicing of Mortgage Loans—Adjustment to Servicing Compensation in Connection with Certain Prepaid Mortgage Loans"* in this prospectus supplement.

Additional Servicing Compensation

The servicer is also entitled to receive, as additional servicing compensation, all late payment fees, assumption fees and other similar charges (excluding prepayment charges) and all reinvestment income earned on amounts on deposit in certain of the issuing entity's accounts and excess proceeds with respect to mortgage loans as described under *"Servicing of Mortgage Loans — Servicing Compensation and Payment of Expenses"*

Source and Priority of Distributions

The servicing fee and the additional servicing compensation described above will be paid to the servicer from collections on the mortgage loans prior to any distributions on the certificates.

See "Servicing of Mortgage Loans — Servicing Compensation and Payment of Expenses" and "Description of the Certificates —Priority of Distributions Among Certificates" in this prospectus supplement.

Priority of Distributions Among Certificates

In general, on any distribution date, available funds for each loan group will be distributed in the following order:

- to interest on each interest-bearing class and component of senior certificates related to that loan group, pro rata, based on their respective interest distribution amounts;
- to principal of the classes of senior certificates and component related to that loan group then entitled to receive distributions of principal, in the order and subject to the priorities set forth below;
- to any deferred amounts payable on the Class 1-PO Certificates, but only from amounts that would otherwise be distributed on that distribution date as principal of the classes of subordinated certificates related to payments on the mortgage loans in loan group 1;
- to interest on and then principal of the classes of subordinated certificates, in the order of their seniority, beginning with the Class B-1 Certificates, in each case subject to the limitations set forth below; and
- from any remaining available amounts to the Class A-R Certificates.

Priority of Distributions—Group 1 Senior Certificates

On each distribution date, the non-PO formula principal amount related to loan group 1, up to the amount of the senior principal distribution amount for loan group 1, will be distributed as principal of the following classes of group 1 senior certificates, concurrently, as follows:

(x) 50% to the Class 1-A-1 Certificates until its class certificate balance is reduced to zero; and

(y) 50% in the following priority:

(1) concurrently, to the Class 1-A-2 and Class 1-A-4 Certificates, pro rata, the group 1 priority amount, until their respective class certificate balances are reduced to zero;

(2) to the Class 1-A-3 Certificates until its class certificate balance is reduced to zero; and

(3) concurrently, to the Class 1-A-2 and Class 1-A-4 Certificates, pro rata, without regard to the group 1 priority amount, until their respective class certificate balances are reduced to zero.

Class 1-PO Certificates

On each distribution date, principal will be distributed to the Class 1-PO Certificates in an amount equal to the lesser of (x) the PO formula principal amount for that distribution date and (y) the product of:

- available funds for loan group 1 remaining after distribution of interest on the group 1 senior certificates; and
- a fraction, the numerator of which is the PO formula principal amount and the denominator of which is the sum of the PO formula principal amount and the senior principal distribution amount for loan group 1.

Priority of Distributions—Group 2 Senior Certificates

On each distribution date, the principal amount related to loan group 2, up to the amount of the senior principal distribution amount for loan group 2, will be distributed as principal of the following classes and component of group 2 senior certificates, in the following priority:

(1) concurrently, to the Class 2-A-1 and Class 2-A-2 Certificates, pro rata, the group 2 priority amount, until their respective class certificate balances are reduced to zero;

(2) sequentially, to the Class A-R Certificates and Class 2-A-3-2 Component, in that order, until their respective class certificate balance and component balance are reduced to zero; and

(3) concurrently, to the Class 2-A-1 and Class 2-A-2 Certificates, pro rata, without regard to the group 2 priority amount, until their respective class certificate balances are reduced to zero.

Subordinated Certificates; Applicable Credit Support Percentage Trigger

On each distribution date, with respect to all loan groups to the extent of available funds available therefor, the sum of (x) the non-PO formula principal amount for loan group 1, up to the subordinated principal distribution amount for loan group 1 and (y) the subordinated principal distribution amount for loan group 2 will be distributed as principal of the classes of subordinated certificates in order of seniority, beginning with the Class B-1 Certificates, until their respective class certificate balances are reduced to zero. Each class of subordinated certificates will be entitled to receive its pro rata share of the subordinated principal distribution amount from all loan groups (based on its class certificate balance); provided, that if the applicable credit support percentage of a class of subordinated certificates (other than the class of subordinated certificates then outstanding with the highest priority of distribution) is less than the original applicable credit support percentage for that class or classes (referred to as a "restricted class"), the restricted class will not receive distributions of partial principal prepayments and prepayments in full from either loan group. Instead, the portion of the partial principal prepayments and prepayments in full otherwise distributable to the restricted class will be allocated to those classes of subordinated certificates that are not restricted classes, pro rata, based upon their respective class certificate balances and distributed in the sequential order described above.

Allocation of Realized Losses

On each distribution date, the amount of any realized losses on the mortgage loans in a loan group will be allocated as follows:

- the sum of (x) the applicable non-PO percentage of any realized losses on the mortgage loans in loan group 1 and (y) any realized losses on the mortgage loans in loan group 2 will be allocated in the following order of priority:
  - first, to the classes of subordinated certificates in the reverse order of their priority of distribution, beginning with the class of subordinated certificates outstanding with the lowest distribution priority until their respective class certificate balances are reduced to zero; and
  - second, concurrently to the senior certificates related to the applicable loan group (other than the notional amount

certificates, the Class 1-PO Certificates and the Class 2-A-3-1 Component), pro rata, based upon their respective class certificate balances or component balance, except that the non-PO percentage of any realized losses on the mortgage loans in loan group 1 that would otherwise be allocated to the Class 1-A-2 and Class 1-A-3 Certificates will instead be allocated to the Class 1-A-4 Certificates until its class certificate balance is reduced to zero and any realized losses on the mortgage loans in loan group 2 that would otherwise be allocated to the Class 2-A-1 Certificates will instead be allocated to the Class 2-A-2 Certificates until its class certificate balance is reduced to zero; and

- with respect to losses on the mortgage loans in loan group 1, the applicable PO percentage of any realized losses on a discount mortgage loan group in loan group 1 will be allocated to the Class 1-PO Certificates; provided, however, that on or before the senior credit support depletion date, (i) those realized losses will be treated as Class 1-PO Deferred Amounts and will be paid on the Class 1-PO Certificates (to the extent funds are available from amounts otherwise allocable to the subordinated principal distribution amount for loan group 1) before distributions of principal on the subordinated certificates and (ii) the class certificate balance of the class of subordinated certificates then outstanding with the lowest distribution priority will be reduced by the amount of any payments of Class 1-PO Deferred Amounts.

Credit Enhancement

The issuance of senior certificates and subordinated certificates by the issuing entity is designed to increase the likelihood that senior certificateholders will receive regular distributions of interest and principal.

Subordination

The senior certificates will have a distribution priority over the subordinated certificates. Among the subordinated certificates offered by this prospectus supplement, each class of subordinated certificates will have a distribution priority over the class or classes of subordinated certificates with a higher numerical designation, if any.

Allocation of Losses

Subordination is designed to provide the holders of certificates with a higher distribution priority with protection against losses realized when the remaining unpaid principal balance of a mortgage loan exceeds the proceeds recovered upon the liquidation of that mortgage loan. In general, this loss protection is accomplished by allocating the realized losses on the mortgage loans in a loan group first, to the subordinated certificates, beginning with the class of subordinated certificates then outstanding with the lowest priority of distribution, and second to the related senior certificates (other than the notional amount certificates) in accordance with the priorities set forth above under *"— Allocation of Realized Losses."*

Additionally, as described above under *"Priority of Distributions—Principal,"* unless certain conditions are met, the senior prepayment percentage related to a loan group (which determines the allocation of unscheduled payments of principal between the related senior certificates and the subordinated certificates) will exceed the related senior percentage (which represents such senior certificates' pro rata percentage interest in the mortgage loans in that loan group). This disproportionate allocation of unscheduled payments of principal will have the effect of accelerating the amortization of the senior certificates that receive these unscheduled payments of principal while, in the absence of realized losses, increasing the interest in the principal balance evidenced by the subordinated certificates. Increasing the respective interest of the subordinated certificates relative to that of the senior certificates is intended to preserve the availability of the subordination provided by the subordinated certificates.

See "Description of the Certificates — Allocation of Losses" in this prospectus supplement and "Credit Enhancement — Subordination" in this prospectus supplement and in the prospectus.

Cross-Collateralization

In certain limited circumstances, principal and interest collected from one of the loan groups may be used to pay principal or interest, or both, to the certificates unrelated to that loan group.

See "Description of the Certificates — Cross-Collateralization" in this prospectus supplement.

Advances

The servicer will make cash advances with respect to delinquent payments of principal and interest on the

mortgage loans to the extent the servicer reasonably believes that the cash advances can be repaid from future payments on the mortgage loans. These cash advances are only intended to maintain a regular flow of scheduled interest and principal payments on the certificates and are not intended to guarantee or insure against losses.

See "Servicing of Mortgage Loans — Advances" in this prospectus supplement.

Required Repurchases, Substitutions or Purchases of Mortgage Loans

The seller will make certain representations and warranties relating to the mortgage loans pursuant to the pooling and servicing agreement. If with respect to any mortgage loan any of the representations and warranties are breached in any material respect as of the date made, or an uncured material document defect exists, the seller will be obligated to repurchase or substitute for the mortgage loan as further described in this prospectus supplement under *"Description of the Certificates—Representations and Warranties Relating to Mortgage Loans"* and *"—Delivery of Mortgage Loan Documents."*

The servicer is permitted to modify any mortgage loan in lieu of refinancing at the request of the related mortgagor, provided that the servicer purchases the mortgage loan from the issuing entity immediately preceding the modification. In addition, under limited circumstances, the servicer will repurchase certain mortgage loans that experience an early payment default (default in the first three months following origination). *See "Servicing of Mortgage Loans—Certain Modifications and Refinancings" and "Risk Factors—Risks Related To Newly Originated Mortgage Loans and Servicer's Repurchase Obligation Related to Early Payment Default" in this prospectus supplement.*

Optional Termination

The servicer may purchase all of the remaining assets of the issuing entity and retire all outstanding classes of certificates on or after the distribution date on which the aggregate stated principal balance of the mortgage loans and real estate owned by the issuing entity declines below 10% of the aggregate stated principal balance of the mortgage loans as of the cut-off date.

See "Description of the Certificates — Termination of the Issuing Entity; Optional Termination" in this prospectus supplement.

Tax Status

For federal income tax purposes, the issuing entity will consist of one or more REMICs: one or more underlying REMICs (if any) and the master REMIC. The assets of the lowest underlying REMIC in this tiered structure (or the master REMIC if there are no underlying REMICs) will consist of the mortgage loans and any other assets designated in the pooling and servicing agreement. The master REMIC will issue the several classes of certificates, which, other than the Class A-R Certificates, will represent the regular interests in the master REMIC. The Class A-R Certificates will represent ownership of both the residual interest in the master REMIC and the residual interests in any underlying REMICs.

See "Material Federal Income Tax Consequences" in this prospectus supplement and in the prospectus.

ERISA Considerations

The offered certificates (other than the Class A-X, Class 1-PO, Class 2-A-1, Class 2-A-2, Class 2-A-3 and Class A-R Certificates) may be purchased by a pension or other benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the Internal Revenue Code of 1986, as amended, or by an entity investing the assets of such a benefit plan, so long as certain conditions are met.

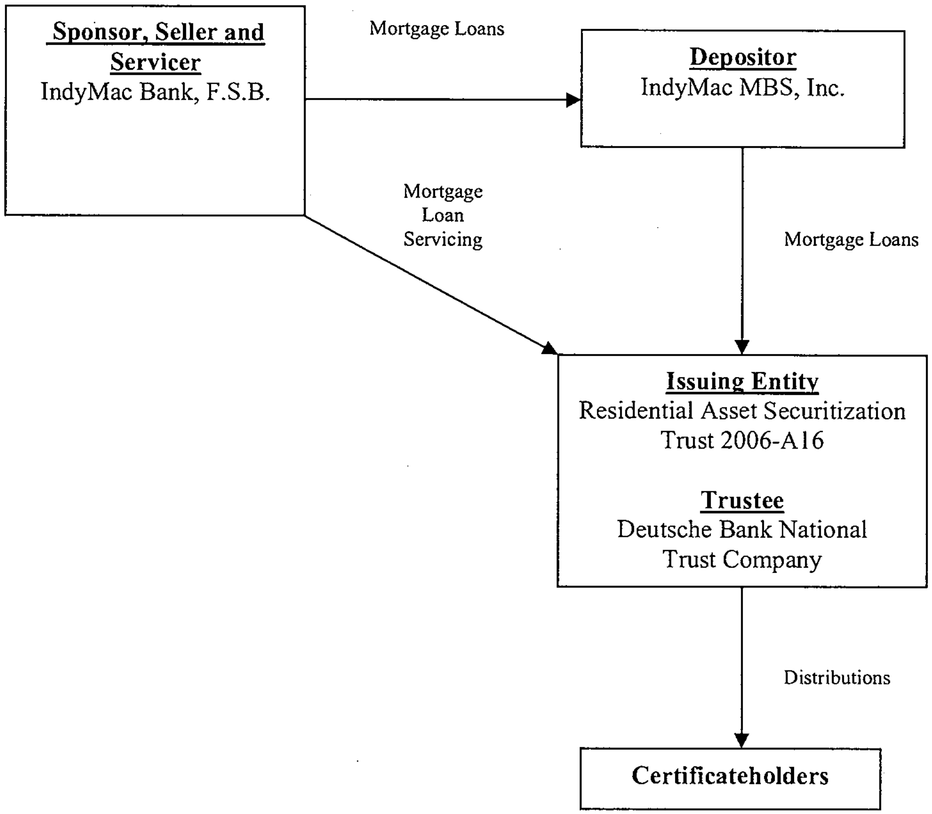
See "ERISA Considerations" in this prospectus supplement and in the prospectus.

Legal Investment

The senior certificates and the Class B-1 Certificates will be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984 as long as they are rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization. None of the other classes of offered certificates will be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984.

See "Legal Investment" in the prospectus.

Summary of Transaction Parties



Risk Factors

The following information, which you should carefully consider, identifies significant sources of risk associated with an investment in the certificates. You should also carefully consider the information under "Risk Factors" beginning on page 5 in the prospectus.

Your Yield Will Be Affected by How Borrowers Repay Their Mortgage Loans ....

Borrowers may, at their option, prepay their mortgage loans in whole or in part at any time. We cannot predict the rate at which borrowers will repay their mortgage loans. A prepayment of a mortgage loan will result in a prepayment on the certificates. The issuing entity's prepayment experience may be affected by many factors, including:

- general economic conditions,
- the level of prevailing interest rates,
- the availability of alternative financing,
- applicability of prepayment charges, and
- homeowner mobility.

The rate and timing of prepayments of the mortgage loans will affect the yields to maturity and weighted average lives of the certificates.

Any reinvestment risks from faster or slower prepayments of the mortgage loans will be borne entirely by the holders of the certificates.

- If you purchase principal only certificates or you purchase your certificates at a discount and principal is repaid slower than you anticipate, then your yield may be lower than you anticipate.
- If you purchase notional amount certificates or Class 2-A-3 Certificates or you purchase your certificates at a premium and principal is repaid faster than you anticipate, then your yield may be lower than you anticipate.
- If you purchase notional amount certificates and principal is repaid faster than you anticipate, then you may not fully recover your initial investment.
- Approximately 18.98% and 13.34% of the group 1 mortgage loans and group 2 mortgage loans, respectively, in each case by aggregate stated principal balance of the mortgage loans in the related loan group as of the cut-off date, require the mortgagor to pay a charge if the

mortgagor prepays (generally, other than as a result of selling the mortgaged property) the mortgage loan during periods ranging from one year to three years after the mortgage loan was originated. A prepayment charge may discourage a mortgagor from prepaying the mortgage loan during the applicable period. Similarly, the expiration of the applicable period will increase the propensity of a mortgagor to prepay the mortgage loan. Prepayment charges from the mortgage loans will be distributed to the Class P Certificates and will not be available to the holders of other classes of certificates.

See "Yield, Prepayment and Maturity Considerations" for a description of factors that may influence the rate and timing of prepayments on the mortgage loans.

Your Yield Will Be Affected by the Interest-Only Feature of Some of the Mortgage Loans ....

Approximately 43.24% and 51.15% of the group 1 mortgage loans and group 2 mortgage loans, in each case by aggregate stated principal balance of the mortgage loans in the related loan group as of the cut-off date, require monthly payments of only accrued interest for a substantial period of time after origination. During the interest-only period, less principal will be available for distribution to certificateholders than otherwise would be the case. In addition, these loans may have a higher risk of default after the interest-only period due to the larger outstanding balance and the increased monthly payment necessary to amortize fully the mortgage loan.

During the interest-only period, these mortgage loans may be less likely to prepay since the perceived benefits from refinancing may be less than if the mortgage loans were fully amortizing. As the interest-only period approaches its end, however, these mortgage loans may be more likely to be refinanced in order to avoid higher monthly payments necessary to fully amortize the mortgage loans.

Investors should consider the fact that interest-only loans reduce the monthly payment required by borrowers during the interest-only period and consequently the monthly housing expense used to qualify borrowers. As a result, interest-only loans may allow some borrowers to qualify for a mortgage loan who would not otherwise qualify for a fully-amortizing loan or may allow them to qualify for a larger mortgage loan than otherwise would be the case.

Your Yield Will Be Affected by How Distributions Are Allocated to the Certificates ....

The timing of principal distributions on the certificates will be affected by a number of factors, including:

- the extent of prepayments on the mortgage loans in the related loan group, in the case of the senior certificates, and in all loan groups, in the case of the subordinated certificates,

- how the classes of certificates receive distributions of principal,
- whether the servicer exercises its right, in its sole discretion, to terminate the issuing entity,
- the rate and timing of payment defaults and losses on the mortgage loans in the related loan group, in the case of the senior certificates, and in all loan groups, in the case of the subordinated certificates, and
- repurchases of mortgage loans in the related loan group, in the case of the senior certificates, and in all loan groups, in the case of the subordinated certificates, for material breaches of representations and warranties or due to certain modifications of the mortgage loan in lieu of refinancing.

Because distributions on the certificates are dependent upon the payments on the related mortgage loans, we cannot guarantee the amount of any particular distribution or the amount of time that will elapse before the issuing entity is terminated.

See "Description of the Certificates—Distributions," and "—Termination of the Issuing Entity; Optional Termination" in this prospectus supplement for a description of the manner in which principal will be distributed to the certificates. See "The Mortgage Pool—Representations by Seller; Repurchases, etc." and "Servicing of the Mortgage Loans—Certain Modifications and Refinancings" in this prospectus supplement for more information regarding the repurchase of mortgage loans.

Modification of Mortgage Loans By the Servicer May Adversely Affect Your Yield ....

The servicer has the right to modify any mortgage loan if it purchases the mortgage loan from the issuing entity. Modifications may include, but are not limited to, rate reductions. The servicer actively attempts to identify borrowers who may refinance and informs them of the alternative of a modification. Generally borrowers informed of this option choose it. The proceeds of any such repurchases are treated as prepayments in full of the applicable mortgage loans and will have the same effect on the yields on the certificates as prepayments in full. *See "Servicing of the Mortgage Loans—Certain Modifications and Refinancings" in this prospectus supplement.*

Credit Enhancement May Not Be Sufficient to Protect Senior Certificates from Losses................................

The subordination features of the issuing entity are intended to enhance the likelihood that senior certificateholders will receive regular distributions of interest and principal, as applicable.

Subordination. Credit enhancement will be provided for the certificates, first, by the right of the holders of certificates with

a higher distribution priority to receive distributions of principal before the classes subordinated to them and, second, by the allocation of realized losses, other than excess losses, on the mortgage loans to the subordinated certificates in the reverse order of their priority of distribution. This form of credit enhancement uses collections on the mortgage loans otherwise distributable to holders of classes of subordinated certificates to distribute amounts due on more senior classes. Collections otherwise distributable to the classes of subordinated certificates comprise the sole source of funds from which this type of credit enhancement is provided.

Allocation of Losses. Except as described below, realized losses are allocated to the subordinated certificates in the reverse order of their priority of distribution, beginning with the class of subordinated certificates then outstanding with the lowest priority of distribution, until the class certificate balance of that class has been reduced to zero. Subsequent realized losses will be allocated to the next most junior class of subordinated certificates, sequentially, until the class certificate balance of each succeeding class has been reduced to zero. Accordingly, if the class certificate balance of each class of subordinated certificates were to be reduced to zero, delinquencies and defaults on the mortgage loans would reduce the amount of funds available for monthly distributions to holders of the classes of senior certificates. Realized losses on the mortgage loans allocable to the senior certificates will be allocated in accordance with the priorities set forth in this prospectus supplement under *"Description of the Certificates—Allocation of Losses."* Investors in a class of super senior certificates should note that the initial class certificate balance of the related class of senior support certificates is substantially smaller than the initial class certificate balance of the related class of super senior certificates and, consequently, that class of senior support certificates will be able to absorb only a limited amount of realized losses otherwise allocable to the related class of super senior certificates. Furthermore, the classes of subordinated certificates will provide only limited protection against some categories of losses on the mortgage loans such as special hazard losses, bankruptcy losses and fraud losses in excess of the amounts specified in this prospectus supplement. Any losses in excess of those amounts will be allocated proportionately to each class of certificates (other than the notional amount certificates and the Class P Certificates), even if the principal balance of each class of subordinated certificates has not been reduced to zero. Unlike realized losses, any excess losses on the mortgage loans will be allocated pro rata among all classes of certificates (other than the notional amount certificates and the Class P Certificates), including the super senior class of certificates, without any reallocation of such excess losses to the related support class of certificates.

See "Credit Enhancement —Subordination" and "Description of the Certificates—Allocation of Losses" in this prospectus supplement.

High Balance Mortgage Loans Present Greater Risk

As of the cut off date, 26 of the group 1 mortgage loans constituting approximately 7.59% of the aggregate stated principal balance of the group 1 mortgage loans as of the cut-off date and 17 of the group 2 mortgage loans constituting approximately 8.15% of the aggregate stated principal balance of the group 2 mortgage loans as of the cut-off date, had principal balances greater than $1,000,000 and less than $1,500,000. As of the cut off date, two of the group 1 mortgage loans constituting approximately 0.92% of the aggregate stated principal balance of the group 1 mortgage loans as of the cut-off date, had principal balances greater than or equal to $1,500,000 and less than $2,000,000. As of the cut off date, one of the group 1 mortgage loans constituting approximately 0.49% of the aggregate stated principal balance of the group 1 mortgage loans as of the cut-off date, had principal balances greater than or equal to $2,000,000. You should consider the risk that the loss, delinquency and prepayment experience on these high balance mortgage loans may have a disproportionate effect on the group 1 mortgage loans, the group 2 mortgage loans and the pool of mortgage loans.

Second Liens on Some of the Mortgaged Properties May Adversely Affect You

With respect to approximately 35.80% and 47.12% of the group 1 mortgage loans and group 2 mortgage loans, respectively, in each case by aggregate stated principal balance of the mortgage loans in the related loan group as of the cut-off date, at the time of origination of the first lien mortgage loan, the originator of the mortgage loan also originated a second lien mortgage loan that will not be included in the issuing entity and is not reflected in the loan-to-value ratio tables included in this prospectus supplement. The weighted average loan-to-value ratios of such group 1 mortgage loans and group 2 mortgage loans are approximately 77.57% and 75.70%, respectively, and the weighted average combined loan-to-value ratios (including the second lien) are approximately 92.18% and 91.31%, respectively. With respect to such mortgage loans, foreclosure frequency may be increased relative to mortgage loans that were originated without a simultaneous second lien because mortgagors have less equity in the mortgaged property. You should also note that any mortgagor may obtain secondary financing at any time subsequent to the date of origination of its mortgage loan from the originator of its mortgage loan or from any other lender.

Certain Interest Shortfalls Will Be Allocated to the Certificates

Your certificates may be subject to certain shortfalls in interest collections arising from the application of the Servicemembers Civil Relief Act and similar state and local laws (referred to in this prospectus supplement as the Relief Act). The Relief Act provides relief to borrowers who enter active military service and to borrowers in reserve status who are called to active duty after the origination of their mortgage loan. The Relief

Act provides generally that these borrowers may not be charged interest on a mortgage loan in excess of 6% per annum during the period of the borrower's active duty. These shortfalls are not required to be paid by the borrower at any future time, will not be advanced by the servicer, and will reduce accrued interest on each class of certificates on a *pro rata* basis. In addition, the Relief Act imposes certain limitations that would impair the servicer's ability to foreclose on an affected mortgage loan during the borrower's period of active service and, under some circumstances, during an additional period thereafter. In addition, pursuant to the laws of various states, under certain circumstances, payments on mortgage loans by residents in such states who are called into active duty with the National Guard or the reserves will be deferred. These state laws may also limit the ability of the servicer to foreclose on the related mortgaged property. This could result in delays or reductions in payment and increased losses on the mortgage loans that would be borne by you. *See "Risk Factors – Impact of World Events" in the prospectus.*

Your certificates also may be subject to other shortfalls in collections of interest as described in this prospectus supplement under *"Description of the Certificates –Interest."*

Risks Related To Newly Originated Mortgage Loans and Servicer's Repurchase Obligation Related To Early Payment Default ....

Investors should note that the majority of the mortgage loans included in the issuing entity have been originated within the twelve months prior to their sale to the issuing entity. As a result, the issuing entity may experience higher rates of default than if the mortgage loans had been outstanding for a longer period of time. In addition, the servicer will repurchase certain mortgage loans that experience an early payment default. The proceeds of any such repurchases will be treated as prepayments in full of the applicable mortgage loans and will have the same effect on the yield of the senior certificates as prepayments in full. Investors in the senior certificates should note that the exercise of such obligation may be inconsistent with, and adverse to the interests of the holders of the senior certificates, and the servicer has no obligation or duty to consider the interests of the senior certificates in connection with the exercise or nonexercise of such obligation. Furthermore, the existence of this obligation, regardless of whether exercised, may adversely affect the liquidity of the senior certificates relative to other mortgage-backed securities backed by comparable mortgage loans and with comparable distribution priorities and ratings.

Certificates May Not Be Appropriate for Some Investors..

The offered certificates may not be an appropriate investment for investors who do not have sufficient resources or expertise to evaluate the particular characteristics of each applicable class of offered certificates. This may be the case because, among other things:

- The yield to maturity of offered certificates purchased at a price other than par will be sensitive to the uncertain rate and timing of principal prepayments on the mortgage loans in the related loan group, in the case of the senior certificates, and in both loan groups, in the case of the subordinated certificates;

- The rate of principal distributions on and the weighted average lives of the offered certificates will be sensitive to the uncertain rate and timing of principal prepayments on the mortgage loans in the related loan group, in the case of the senior certificates, and in both loan groups, in the case of the subordinated certificates, and the priority of principal distributions among the classes of certificates. Accordingly, the offered certificates may be an inappropriate investment if you require a distribution of a particular amount of principal on a specific date or an otherwise predictable stream of distributions;

- You may not be able to reinvest distributions on an offered certificate (which, in general, are expected to be greater during periods of relatively low interest rates) at a rate at least as high as the pass-through rate applicable to your certificate; or

- A secondary market for the offered certificates may not develop or provide certificateholders with liquidity of investment.

Individuals and Certain Entities Should Not Invest in the Class A-R Certificates .... The fees and non-interest expenses of a REMIC will be allocated pro rata to the Class A-R Certificates. Individuals, however, will only be able to deduct these expenses as miscellaneous itemized deductions, which are subject to numerous restrictions and limitations under the Internal Revenue Code of 1986, as amended. Therefore, the Class A-R Certificates generally are not appropriate investments for individuals, estates, trusts beneficially owned by any individual or estates and pass-through entities having any individual, estate or trust as a shareholder, member or partner.

Geographic Concentration Increases Risk That Certificate Yields Could Be Impaired .... The tables under *"The Mortgage Pool—General"* in this prospectus supplement set forth the geographic concentration of the mortgaged properties for the loan groups and in the aggregate, including the percentage by aggregate stated principal balance of the related mortgage loans as of the cut-off date that are secured by property located in California and Florida. Property in California may be more susceptible than homes located in other parts of the country to some types of uninsured hazards, such as earthquakes, floods, mudslides and other natural disasters. In addition,

- Economic conditions in states with significant concentrations (which may or may not affect real property values) may affect the ability of borrowers to repay their loans on time;

- Declines in the residential real estate market in states with significant concentrations may reduce the values of properties located in those states, which would result in an increase in the loan-to-value ratio. Mortgage loans with higher loan-to-value ratios may present a greater risk of default and, in the case of defaults, an increase in the severity of losses on the mortgage loans; and

- Any increase in the market value of properties located in states with significant concentrations would reduce the loan-to-value ratios and could, therefore, make alternative sources of financing available to the borrowers at lower interest rates, which could result in an increased rate of prepayment of the mortgage loans.

Inability to Replace Servicer Could Affect Collections and Recoveries on the Mortgage Loans................................

The structure of the servicing fee might affect the ability to find a replacement servicer. Although the trustee is required to replace the servicer if the servicer is terminated or resigns, if the trustee is unwilling (including for example because the servicing fee is insufficient) or unable (including for example, because the trustee does not have the systems to service mortgage loans), it may be necessary to appoint a replacement servicer. Because the servicing fee is structured as a percentage of the stated principal balance of each mortgage loan, it may be difficult to replace the servicer at a time when the balance of the mortgage loans has been significantly reduced because the fee may be insufficient to cover the costs associated with servicing the mortgage loans and related REO Properties remaining in the pool. The performance of the mortgage loans may be negatively impacted, beyond the expected transition period during a servicing transfer, if a replacement servicer is not retained within a reasonable amount of time.

Relocation of the Servicer's Default Management Services May Result in Increased Delinquencies and Defaults Which May Adversely Affect the Yield on the Certificates...............................

The servicer intends to relocate its default management, collections, and loss mitigation functions from Pasadena, California to Texas in 2007. Fewer than 70 of the servicer's employees will be affected by this relocation. Although certain of these employees will be offered the opportunity to relocate, the servicer expects that a substantial number of these employees may elect not to do so.

If a substantial number of employees in default management services resign prior to the relocation or elect not to relocate,

the servicer's collection and default management processes may be disrupted which may result in an increase in delinquencies and defaults. Although any increase in delinquencies and defaults is expected to be temporary, there can be no assurance as to the duration or severity of any disruption in the collection and default management processes or as to the resulting effects on the yield of the certificates. In an attempt to mitigate any disruptions in these processes, the servicer will continue to provide default management services from Pasadena until the relocation of those services to Texas has been completed and the default management, collections, and loss mitigation functions in Texas are fully operational.

Some of the statements contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus consist of forward-looking statements relating to future economic performance or projections and other financial items. These statements can be identified by the use of forward-looking words such as "may," "will," "should," "expects," "believes," "anticipates," "estimates," or other comparable words. Forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include, among others, general economic and business conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond our control. Because we cannot predict the future, what actually happens may be very different from what we predict in our forward-looking statements.